

Delegated Officer Decision

**Report Title**

Calculation of the Council Tax Base for 2020/21

**Assistant Director Approving Submission of the Report**

Graham Saxton, Assistant Director – Financial Services

**Report Author(s)**

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**Ward(s) Affected**

Borough-Wide

**Executive Summary**

To determine the Council's Tax Base for 2020/21.

**Report Summary**

This report sets out the calculation of the Council Tax Base for the 2020/21 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 2020/21 and;
- estimates of the changes and adjustments in the tax base that occur during the financial year including the construction of new properties.

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 2020/21 is 70,994.74 Band D Equivalent Properties.

**Recommendation**

That the Strategic Director – Finance and Customer Services determines that the amount calculated by the Council as its Council Tax Base and those of the Parish Councils shown at Appendix 1 for 2020/21 shall be a total of 70,994.74 Band D Equivalent Properties.

**List of Appendices Included**

Appendix 1 The Council Tax Base for 2020/21

**Background Papers**

1. Local Authorities (Calculation of Council Tax Base) Regulations 2012 (Statutory Instrument 2012 no 2914)
2. Review of the Local Council Tax Support Scheme – Council 24<sup>th</sup> January 2018.
3. Increase in Council Tax Empty Property Premium Report to Cabinet 17<sup>th</sup> December 2018.

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

No.

**Council Approval Required**

No

**Exempt from the Press and Public**

No

## **Determination of the Council Tax Base for 2020/21**

### **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. 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<sup>st</sup> December and 31<sup>st</sup> January in the financial year preceding that for which the calculation of the Council Tax Base is made, is set by the regulations.

### **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 Taking account of the above factors, the Council's Tax Base for 2020/21 has been calculated as 70,994.74 Band D equivalent properties – an increase of 714.77 Band D equivalent properties, or 1.02% compared to 2019/20.
- 2.3 Within the Borough – as in previous financial years there has been significant growth within the new parish of Waverley – an increase of 17.9% and at Catcliffe where the council tax base has increased by 5.6%. As indicated the Tax Base includes estimated numbers of new build properties that will be added before the end of 2020/21 and it is anticipated that new properties will be completed in Wickersley and Dalton in the coming financial year. The Tax Base also includes the estimated increase in premiums from April 2020 for properties that have been unoccupied and unfurnished for more than 5 years – which will now pay a 200% premium on basic Council Tax as agreed by Cabinet.
- 2.4 The Tax Base for the Council as a whole (both Parished and Unparished areas) is summarised in the table below.

<b>Tax Band</b>	<b>Band D Equivalent Properties</b>
Band A	27,455.43
Band B	14,753.73
Band C	11,847.97

Band D	8,245.08
Band E	5,163.50
Band F	2,348.42
Band G	1,119.99
Band H	60.62
<b>TOTAL</b>	<b>70,994.74</b>

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 estimated numbers of properties that will be constructed and completed in the coming year.
- 3.2 The Council has an established record of good performance with respect to Council Tax collection.
- 3.4 The recent flooding is not expected to have a material impact on the Council Tax base or on the level of collection and it is considered that a collection rate of 97% would be achievable for the foreseeable future. Given this, maintaining the estimated collection rate at 97% for Council Tax Base calculation is considered prudent and realistic.

### **4. Consultation on proposal**

- 4.1 The Council Tax Base is a key 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 each year and represents a significant proportion of the Council's revenue resources for the coming financial year.
- 4.2 The major precepting authorities: the South Yorkshire Police and Crime Commissioner and the South Yorkshire Fire and Rescue Authority, will be notified of the proposed Council Tax Bases for 2020/21 before the statutory deadline of 31<sup>st</sup> January 2020. Details of the proposed Council Tax Base have been circulated to Parish and Town Councils to assist them in preparing their budgets.

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

- 5.1 The Council is required to have determined its Tax Base by 31st January in the preceding financial year and subject to approval.

## **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.

6.2 There are no direct procurement implications arising from the report.

## **7. Legal Advice and Implications**

7.1 No direct implications.

## **8. Human Resources Advice and Implications**

8.1 No direct implications.

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

9.1 No direct implications.

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

10.1 No direct implications.

## **11. Implications for Partners**

11.1 Their respective Council Tax Bases will affect the Council Tax Precepts 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 2020, it contains projections in respect of the new properties, adjustments, discounts and reliefs to be granted and premiums charged before the 31 March 2020 and during the 2020/21 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 as in previous financial years performance in Council Tax collection rates will continue to be closely monitored.

## **13. Accountable Officers**

Graham Saxton

Assistant Director – Financial Services

Approved by

Judith Badger  
Strategic Director – Finance & Customer Services