

BARNSELEY METROPOLITAN BOROUGH COUNCIL

Cabinet: 11th January 2017 Report of Director of Finance, Assets and IT

CALCULATION OF COUNCIL TAX BASE 2017/18

1. Purpose of Report

- 1.1 This report sets out the criteria to be taken into account in setting the 2017/18 Council Tax Base.

2. Recommendations

2.1 It is recommended that: -

- The report of the Director of Finance, Assets & IT for the calculation of the Council's Tax Base for the year 2017/18 be approved;
- The Council Tax Base for the year 2017/18 shall be 62,346.89. This figure has been calculated in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012;
- Calculated in accordance with the above regulations the Council Tax Base for the year 2017/18 in respect of each Parish is as follows:-

Parish Area (by Area Code)	Band D equivalent chargeable properties	95% of Band D equivalent chargeable properties
Penistone	4,247.10	4,034.75
Billingley	99.10	94.15
Great Houghton	653.00	620.35
Little Houghton	181.80	172.71
Shafton	959.30	911.34
High Hoyland	70.40	66.88
Hunshelf	169.10	160.65
Langsett	107.40	102.03
Cawthorne	613.30	582.64
Dunford	246.70	234.37
Gunthwaite and Ingbirchworth	286.70	272.37
Thurgoland	750.30	712.79
Tankersley	588.80	559.36
Wortley	294.40	279.68
Oxspring	465.00	441.75
Silkstone	1,201.60	1,141.52
Stainborough	165.20	156.94
Barnsley and other Non-Parish areas	54,529.10	51,802.61
Total	65,628.30	62,346.89

3. Introduction/Background

- 3.1 The Local Government Finance Act 1992 requires the Authority to calculate its Council Tax Base, before 31 January each year, in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.
- 3.2 The Valuation List dated 1 April 1993 shows domestic properties within the Borough subject to Council Tax and places each of them into a valuation band between A to H dependent upon a valuation as at an antecedent date of 1 April 1991.
- 3.3 The Council Tax Base is expressed in terms of band D equivalent properties and represents the estimated full year number of chargeable dwellings in the area after allowing for disabled persons relief, discounts and other statutory adjustments.

4. Consideration of Alternative Approaches

- 4.1 The calculation of the Council Tax Base is a statutory requirement and therefore there are no alternative approaches to consider.

5. Proposal and Justification

- 5.1 It is proposed that the Council Tax Base for the year 2017/18 shall be **62,346.89**
- 5.2 The relevant calculations for each Parish or district are calculated by applying the following formula: -

$$(H + J) \times \frac{F}{G}$$

where:

H is the estimated number of chargeable dwellings in the area and band after taking into account the effect of exemptions and discounts.

J is the amount of any adjustments in respect of changes in the number of chargeable dwellings or discounts calculated by the authority for 2017/18 (see notes at 5.3 below).

F is the number appropriate to each band as set out in Section 5(1) of the Act.

G is the number appropriate to band D as set out in Section 5(1) of the Act. In all cases for 2017/18 this is 9.

- 5.3 In determining the figure used at point J of the calculations the following aspects have been taken into account: -
 - i) a full survey of the properties within authority's tax base was carried out at the commencement of council tax in 1993 to identify those properties entitled to discounts and/or exemptions. Each year further checks are made to ensure that the Council Tax database remains accurate;

- ii) Each claimant's eligibility for discounts/exemptions is thoroughly investigated prior to being awarded, and an ongoing programme to survey present recipients is undertaken;
- iii) local knowledge has been used to identify which Parish will see an increase/decrease in the number of properties. This information is then used to obtain the revised number of band D equivalent properties that are in that particular area.

Example of Calculation – Penistone Town Council

5.4 By way of example using the formula in paragraph 5.2 above, the table below shows the calculated tax base for the Penistone Town Council area.

PENISTONE

BAND	A-	A	B	C	D	E	F	G	H	TOTAL
H =	1.71	1,204.85	872.10	902.36	759.87	468.56	216.53	124.25	1.000	4551.23
J =					108.00					108.00
F =	5	6	7	8	9	11	13	15	18	
G =	9	9	9	9	9	9	9	9	9	
(H+ J) x F/G	1.00	803.20	678.30	802.10	867.90	572.70	312.80	207.10	2.00	4,247.10

Council Tax Base for Penistone 4,247.10 x 95% = **4,034.75**

Tax base for 2017/18

5.5 Appendix A shows the relevant amount for each area and the total of the relevant amounts for 2017/18 for each of the valuation bands is summarised as follows: -

<u>Property Value</u>	<u>Band</u>	<u>Ratio</u>	<u>Band D equivalent chargeable properties</u>
Up to £40,000 with disabled reduction	A-	5/9	119.50
Up to £40,000	A	6/9	29,618.80
£40,001 to £52,000	B	7/9	11,630.50
£52,001 to £68,000	C	8/9	10,134.00
£68,001 to £88,000	D	9/9	7,060.20
£88,001 to £120,000	E	11/9	4,110.10
£120,001 to £160,000	F	13/9	1,928.60
£160,001 to £320,000	G	15/9	979.60
More than £320,000	H	18/9	47.00
			65,628.30

5.6 The regulations require the authority to adjust the total relevant amount by a proportion which reflects the following: -

- i) Total amounts expected to be paid to the authority under the Local Government Finance Act 1992 less the total of any Council Tax Reductions for the year.
- ii) Total of amounts in respect of Council Tax Reductions pursuant to directions under Section 98(5) and 98(4) of the 1998 Act.

- 5.7 It is estimated that the appropriate proportion in this respect is 95% and that the Estimated Council Tax Base for the 2017/18 financial year is therefore:-

$$\underline{65,628.30 \times 95\% = 62,346.89}$$

- 5.8 The collection rate is relatively prudent but takes into account the impact that the LCTS scheme has on overall collection rates. Moreover, any surplus over and above the target collection rate, falls into the Council's Collection Fund and is used to support front line Council services.

6. Delivering Sustainable Community Strategy Ambitions and Local Area Agreement Outcomes

- 6.1 None directly

7. Long Term Sustainability of the Proposal

- 7.1 None

8. Impact on Local People

- 8.1 None.

9. Compatibility with European Convention on Human Rights

- 9.1 None.

10. Promoting Equality and Diversity and Social Inclusion

- 10.1 None

11. Reduction of Crime and Disorder

- 11.1 None.

12. Conservation of Biodiversity

- 12.1 None.

13. Risk Management Issues

- 13.1 The Tax Base is a key variable in determining the resources estimated to be available to fund Council Services. Consequently, the risk of variations to the Tax Base have been factored into the 2017/18 Service & Financial Planning process as far as is possible. In addition, the Tax Base will be subject to robust monitoring throughout the 2017/18 financial year to identify at an early stage any differences likely to make a material difference to the Council's spending plans.

14. Financial Implications

- 14.1 The estimated Tax Base of 62,346.89 is used to determine the total Council Tax yield available to support the 2017/18 budget.

15. Employee Implications

15.1 None.

16. Glossary

16.1 None.

17. List of Appendices

- Appendix A – Summary of relevant amounts

18. Background Papers

- The Local Government Finance Act 1992
- The Local Authorities (Calculation of Council Tax Base) Regulations 1992
- The Local Authorities (Calculation of Council Tax Base) SI 3012 (2003)

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