

28 November 2012

REPORT OF THE PORTFOLIO HOLDER, CORE SERVICES AND ASSETS**COUNCIL TAX BASE 2013/14****EXEMPT INFORMATION**

None

PURPOSE

To report the Council Tax Base for the Borough Council 2013/14.

RECOMMENDATIONS

That Tamworth Borough Council resolves its calculation of the Council Tax Base for the year 2013/14 to be 20,199 (2012/13 – 23,378).

EXECUTIVE SUMMARY

The Borough Council is required to calculate its Council Tax Base for each financial year and notify Staffordshire County Council, Staffordshire Police Authority and Staffordshire Fire Authority by 31 January preceding that financial year.

The Authority is required to approve the Council Tax Base.

RESOURCE IMPLICATIONS

The figure for 2013/14 Council Tax Base is calculated at 20,199.
This represents a decrease in the current year of 3,179 or 13.6%.

LEGAL/RISK IMPLICATIONS BACKGROUND

If the base is not set in the legally required timeframe it can be calculated by precepting authorities and imposed upon us.

SUSTAINABILITY IMPLICATIONS

None

BACKGROUND INFORMATION**Purpose**

Under the Local Government Finance Act 1992 as amended the Borough Council is required to calculate its Council Tax Base for each financial year and is required to notify Staffordshire County Council, Staffordshire Police Authority and Staffordshire Fire Authority by 31 January preceding that financial year.

Consideration

In accordance with the Local Authority (Calculation of Council Tax Base) Regulations 1992 as amended, the Tax Base for the year 2013/14 is calculated by applying a formula $A \times B$.

A is the number of properties in each band (expressed as a number of band D equivalents); and three factors have altered this figure in relation to 2012/13 which are as follows:

- 1. An estimate regarding changes to the physical state of the property base;
- 2. A revised treatment of benefit (local discount) changes as outlined in today’s report Local Council Tax Support Scheme Consultation Results (formally – Localising Support for Council Tax). Previously benefit entitlement did not effect the Tax Base calculations as subsidy was received from the DWP in respect of correctly awarded benefit. However the new Council Tax Support Scheme is treated as a discount for Council Tax purposes and therefore reduces the Council Tax Base;
- 3. An estimate of additional charges due to technical changes, as outlined in the Cabinet report of 17 October 2012.

A for 2013/14 is determined as follows:

| | |
|--|---------|
| 2012/13 figure for A | 23,734 |
| Increase in Property Base from 2012/13 | +32 |
| Localising Council Tax Support | (3,251) |
| Technical changes | +117 |
| 2013/14 figure for A | 20,632 |

B is the Authority’s estimate of its collection rate for that year. It is recommended that this should be 97.9% (98.5% 2012/13). This is a lower rate than the current financial year to take account of the anticipated challenges in collection of Council Tax from taxpayers previously receiving 100% Council Tax Benefit.

Applying the reduced collection rate to A gives a Council Tax Base of 20,199 (20,632 x 97.9%).

This represents a decrease on the current year of 3,179 or 13.6% - the reduction in Band D equivalents is due to the changes arising from the Local Support to Council Tax Scheme (impact on budget base line).

REPORT AUTHOR

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LIST OF BACKGROUND PAPERS

- Local Government Finance Act 1992
- Local Authority (Calculation of Council Tax Base) Regulations 1992
- Local Government Finance Act 2012
- Local Authority (Calculation of Council Tax Base) (England) Regulations 2012