

SLOUGH BOROUGH COUNCIL

REPORT TO: Cabinet **DATE:** 15th December 2014

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PORTFOLIO Finance & Strategy – Cllr Anderson

PART I **KEY-DECISION**

COUNCIL TAXBASES FOR 2015/16

1. PURPOSE OF THE REPORT

- 1.1 This report presents information to Members on the properties in Slough and their categories of occupation for the purpose of determining the council taxbase for the borough for the 2015/16 financial year
- 1.2 The Council is required by law to set the council taxbase by 31st January prior to the start of the financial year.
- 1.3 The level of council Taxbase will be used in the calculation of Slough Borough Council's council tax for 2015/16.
- 1.4 This report requests estimates for Business Rates income used for setting the 2015/16 budget to be delegated to the s151 officer.
- 1.5 This report provides Members with an update on the Council Tax Support Scheme.

2. RECOMMENDATIONS

The Cabinet is requested to resolve:

- (a) That the level of council tax discount in respect of second homes remains at 0%.
- (b) That the level of discount in respect of long-term empty properties remains at 0%. With the charge of a 50% Empty Home Premium for on properties that have been empty longer than 2 years.
- (c) That the collection rate for the council tax for 2015/16 be set at 98.2%. This is an increase of 0.2% and has been agreed with the Council's transactional services partner, arvato.

(d) In accordance with the Local Government Finance Act 1992 and the Local Authorities (Calculation of Council Tax Base) Regulations 2012 the amount calculated by Slough Borough Council as its council taxbase for 2015/16 shall be:

i) Parish of Britwell	597.0
ii) Parish of Colnbrook with Poyle	1,781.1
iii) Parish of Wexham	1,270.3
iv) Slough Town	34,814.2
All areas	38,462.6

(e) That the S151 officer be delegated with responsibility to adjust the taxbase following Cabinet due to any changes in Government guidance around this subject and the Collection Fund figures for distribution.

(f) That the S151 officer be delegated with responsibility to adjust the taxbase following Cabinet should any new property information become available and the Collection Fund figures for distribution require amendment.

(g) That the S151 officer be delegated with responsibility to set the Business Rates baseline following consultation with the Commissioner responsible.

(h) Assumes that the current Council Tax Support Scheme remains unchanged for 2015/16 apart from the uprating for all customers as detailed in section 4.6 and the accompanying Council Tax Support scheme paper. This includes the approval for the Chief Executive and S151 Officer to make any textual amendments.

3. The Slough Joint Wellbeing Strategy, the JSNA and the Corporate Plan

The Slough Joint Wellbeing Strategy (SJWS) is the document that details the priorities agreed for Slough with partner organisations. The SJWS has been developed using a comprehensive evidence base that includes the Joint Strategic Needs Assessment (JSNA). Both are clearly linked and must be used in conjunction when preparing your report. They have been combined in the Slough Wellbeing Board report template to enable you to provide supporting information highlighting the link between the SJWS and JSNA priorities.

3a. Slough Joint Wellbeing Strategy Priorities

The Slough Joint Wellbeing Strategy (SJWS) is the document that details the priorities agreed for Slough with partner organisations. The SJWS has been developed using a comprehensive evidence base that includes the Joint Strategic Needs Assessment (JSNA). Both are clearly linked and must be used in conjunction when preparing your report. They have been combined in the Slough Wellbeing Board report template to enable you to provide supporting information highlighting the link between the SJWS and JSNA priorities.

The report indirectly supports all of the Community Strategy priorities and cross cutting themes. The maintenance of excellent governance within the Council to ensure that it is efficient, effective and economic in everything it does is achieved through the improvement of corporate governance and democracy by ensuring effective management practice is in place.

4 **Other Implications**

(a) Financial

There is a significant financial implication to the Council by this report. The number of properties that are equivalent to Band D is a key number for the Revenue Budget for 2015-16 and the Medium Term Financial Strategy (MTFS) paper. The larger the number, the more Council Tax income the Council will receive (and the larger the likely collection fund position). This is the same for the number of Business Rates hereditaments.

(b) Risk Management

Risk	Mitigating action	Opportunities
Legal		
Property		
Human Rights		
Health and Safety		
Employment Issues		
Equalities Issues		
Community Support		
Communications		
Community Safety		
Financial – taxbase does not grow as expected	Medium Term Financial Volatility Reserve can accommodate some drop in CTX or BRates for one year to allow for longer term planning to deal with the issue	If CTX or BRates are higher than forecast there will be a collection fund surplus and so benefit the 2016-17 financial position.
Timetable for delivery		
Project Capacity		
Other		

(c) Human Rights Act and Other Legal Implications

The scheme has not been changed and is being updated in line with inflation (and the constitution allows for fees and charges to rise with inflation + a %).

(d) Equalities Impact Assessment

There is no identified need for an EIA as this is a report based on the number of taxbase properties in the district.

5. **SUPPORTING INFORMATION**

Council Tax Base

- 5.1 The various taxbases for 2015/16 proposed in this report have been calculated by reference to data available relating to dwellings within the borough provided by the District Valuer at 30th November 2014.

- 5.2 Over the last few years the Council's tax base has steadily increased by approximately 1% each year due to new properties being added to the valuation list; for 2014-15, this figure looks to be significantly higher at circa 1.8% though this will not be known until the 31st March 2015. An allowance for growth of 1% has been included in the 2015/16 tax base calculations, on top of the current Council Tax dwelling figures, as a result of a number of developments currently underway. 1% increase on non-parished areas of Slough
- 5.3 The calculation of the council's taxbase or 'T' can be expressed as the sum of 'Relevant Amounts' known as 'A' for each valuation band multiplied by the collection rate known as 'B'. In summary, 'Relevant Amounts' are to be calculated as the number of dwellings on the valuation lists supplied by the District Valuer adjusted for discounts, disabled persons reductions and anticipated changes to the valuation lists (e.g. successful valuation appeals) during 2015/16.
- 5.5 The Relevant Amounts for each property band in the Slough Area for 2015/16 are summarised as follows:

Bands	Britwell	Colnbrook with Poyle	Wexham Court	Balance of Slough	Total Slough
A*	0.0	0.0	0.0	0.6	0.6
A	0.7	13.9	9.8	577.6	602.0
B	55.2	163.1	98.3	4,430.2	4,746.8
C	494.8	867.5	293.6	13,800.8	15,456.7
D	41.8	561.4	813.9	9,363.2	10,780.3
E	3.3	158.1	58.0	4,606.7	4,826.1
F	10.4	36.7	8.3	2,167.5	2,222.9
G	1.7	13.0	11.7	499.6	526.0
H	0.0	0.0	0.0	6.2	6.2
Aggregate of Relevant Amounts	607.9	1,813.7	1,293.6	35,452.4	39,167.6

* Disabled person's reductions

- 5.6 The aggregate of 'Relevant Amounts' expressed as a Band D equivalent is calculated as **39,167.6**. This figure is based on 100% collection rate in 2015/16.
- 5.7 For 2015/16 Cabinet will be requested to approve the increase of the collection rate to 98.2%.
- 5.9 With a 98.2% collection rate, the statutory calculation of the 2015/16 council taxbase 'T' will be as follows:

Aggregate of Relevant Amounts or 'A' (i.e. **39,167.6**) x Collection Rate or 'B' (i.e. **98.2%**) = council taxbase 'T' (i.e. **38,462.6**).

Change in Taxbase 2014/15 to 2015/16

- 5.10 The table below sets out the change in the Council's taxbase between 2014/15 and 2015/16:

	2014/15 No's	2015/16 No's	Change from 2014/15 No's %	
Slough Borough Aggregate of Relevant Amount	38,139.0	39,167.6	1,028.6	2.7%
Taxbase after allowing for assumed collection rate	37,376.2	38,462.6	1,086.4	2.9%

- 5.11 Members will note that the taxbase for all areas has increased by 2.9% from 2014/15, equivalent to a net increase of 1,086.4 properties.

Business Rates 2015/16

- 5.11.1 In accordance with the Local Government Finance Act 2012 the Council is required, by 31 January, to have estimated and informed the Royal Berkshire Fire & Rescue Service and DCLG of the estimated collectable business rates to be used for setting the budget and ultimately the council tax for 2015/16. This is completed by returning a form to DCLG known as NNDR1. The Council has yet to receive the finalised NNDR1 return and so is unlikely to be able to inform members of the estimated business rates in a reasonable timescale.
- 5.11.2 It is therefore proposed that the decision to review and certify the NNDR1 return, and finalise the figure for the estimate retained business rates used for the 2014-15 revenue budget be delegated to the s151 officer following consultation with the commissioner responsible for finance.

Collection Fund position in 2014-15

- 5.11.3 At present the Council is forecasting a Collection Fund surplus of circa £1.75m; with £1.4m from Business Rates and £0.35m from Council Tax. This figure will be revised for the budget setting period.

6. CONCLUSION

- 6.1 It is recommended that:

- 6.2 The Cabinet approve the amount calculated as Slough Borough Council's taxbase for the parishes and non parish areas for 2015/16 as follows:

i) Parish of Britwell	597.0
v) Parish of Colnbrook with Poyle	1,781.1
vi) Parish of Wexham	1,270.3
vii) Slough Town	34,814.2
All areas	38,462.6

- 6.2 The S151 officer be delegated with responsibility to adjust the taxbase following Cabinet due to any changes in Government guidance around this subject.
- 6.3 That the S151 officer be delegated with responsibility to adjust the taxbase following Cabinet should any new property information become available and the Collection Fund figures for distribution.

- 6.4 The S151 officer be delegated with responsibility to approve the Business Rates income for 2015/16 via the NNDR1 form following consultation with the Commissioner responsible.
- 6.5 That the current Council Tax Support Scheme be approved for 2015/16 with the uprating for all customers as detailed in section 4.5. This includes the approval for the Chief Executive and S151 Officer to make any textual amendments.

7 BACKGROUND PAPERS

- '1' - CTB1 Form (October 2014)
- '2' - Local Government Finance Act 2012
- '3' - the Local Authorities (Calculation of Council Tax Base) Regulations 2012
- '4' - Detailed working papers held in Finance and Council Tax Sections