

SLOUGH BOROUGH COUNCIL

REPORT TO: Cabinet **DATE:** 14th December 2015

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PORTFOLIO Finance & Strategy – Cllr Anderson

PART I **KEY-DECISION**

COUNCIL TAXBASES FOR 2016/17

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 2016/17 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 2016/17.
- 1.4 This report requests estimates for Business Rates income used for setting the 2016/17 budget to be delegated to the s151 officer.

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 2016/17 be set at 98.4%. 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 2016/17 shall be:

i) Parish of Britwell	753.4
ii) Parish of Colnbrook with Poyle	1,840.2
iii) Parish of Wexham	1,315.8
iv) Slough Town	36,092.4
All areas	40,001.8

(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.

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

This report directly supports both outcomes 2 (in respect of an increase in housing taxbase) and 7 (in respect of an increase in Council Tax Collection levels both in year and overall)

The report also underpins the Council's Medium Term Financial Strategy as it is showing a significant increase in the Council Tax base which is driving up the income from Council Tax overall.

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 2016/17 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 2016/17 proposed in this report have been calculated by reference to data available relating to dwellings within the borough provided by the Valuation Office Agency at 30th November 2015.
- 5.2 Over the last few years the Council’s tax base has steadily increased from approximately 1% each year, to over 2% in the current year projection. Due to new properties being added to the valuation list; for 2015-16, this figure looks to be significantly higher at circa 3% though this will not be known until the 31st March 2016. An allowance for growth of 1.75% has been included in the 2016/17

tax base calculations, on top of the current Council Tax dwelling figures, as a result of a number of developments currently underway.

- 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 2016/17.
- 5.4 The Relevant Amounts for each property band in the Slough Area for 2016/17 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	1.1	13.3	9.9	616.8	641.1
B	67.0	167.3	103.8	4,593.4	4,931.5
C	587.9	897.8	305.4	14,370.3	16,161.4
D	91.5	575.9	837.1	9,614.5	11,119.0
E	3.9	162.8	59.7	4,757.8	4,984.2
F	12.6	38.0	8.9	2,217.6	2,277.1
G	1.7	15.0	12.4	502.2	531.3
H	0.0	0.0	0.0	6.1	6.1
Aggregate of Relevant Amounts	765.7	1,870.1	1,337.2	36,679.3	40,652.3

* Disabled person's reductions

- 5.5 The aggregate of 'Relevant Amounts' expressed as a Band D equivalent is calculated as **.39,715**. This figure is based on 100% collection rate in 2016/17.
- 5.6 For 2016/17 Cabinet will be requested to approve the increase of the collection rate to 98.4%.
- 5.7 With a 98.4% collection rate, the statutory calculation of the 2016/17 council taxbase 'T' will be as follows:

Aggregate of Relevant Amounts or 'A' (i.e. **40,652.3**) x Collection Rate or 'B' (i.e. **98.4%**) = council taxbase 'T' (i.e. **40,001.8**).

Change in Taxbase 2015/15 to 2016/17

- 5.8 The table below sets out the change in the Council's taxbase between 2015/16 and 2016/17:

	2015/16	2016/17	Change from 2015/16	
	No's	No's	No's	%
Slough Borough Aggregate of Relevant Amount	39,167.6	40,652.5	1,484.9	3.8%
Taxbase after allowing for assumed collection rate	38,462.6	40,001.8	1,539.2	4.0%

- 5.9 Members will note that the taxbase for all areas, after a collection allowance has increased by 4% from 2015/16, equivalent to a net increase of 1,539.2 properties. Some of this is due increase collection rates and Council Tax Support levels, but the majority is due a genuine increase in the number of properties in the borough.

Business Rates 2016/17

- 5.10 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 2016/17. 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 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 2016-17 revenue budget be delegated to the s151 officer following consultation with the commissioner responsible for finance.

Collection Fund position in 2015-16

- 5.12 At present the Council is forecasting a Collection Fund surplus of circa £1.1m; with £0m from Business Rates and £1.1m from Council Tax. This figure will be revised for the budget setting period. The Business Rates figure is especially volatile in the current financial year, with a marked decrease on the previous year being seen until October 2015 when there was a large increase in the net collectable debit.

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 2016/17 as follows:

i) Parish of Britwell	753.4
v) Parish of Colnbrook with Poyle	1,840.2
vi) Parish of Wexham	1,315.8
vii) Slough Town	36,092.4
All areas	40,001.8

- 6.3 The S151 officer be delegated with responsibility to adjust the taxbase following Cabinet due to any changes in Government guidance around this subject.
- 6.4 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.
- 6.5 The S151 officer be delegated with responsibility to approve the Business Rates income for 2016/17 via the NNDR1 form following consultation with the Commissioner responsible.

7 BACKGROUND PAPERS

- '1' - CTB1 Form (October 2015)
- '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