

**Meeting:** Council

**Date:** 8 December 2016

**Wards Affected:** All Wards

**Report Title:** Council Tax Base 2017/18

**Is the decision a key decision?** Yes

**When does the decision need to be implemented?**

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## **1. Proposal and Introduction**

- 1.1 The Council is required to determine its Tax Base for Council Tax purposes for 2017/18 during the period 1 December 2016 to 31 January 2017 and the level of Council Tax subsequently set must use this base figure. A Tax Base calculation is provided in Appendix 1 for an appropriate decision to be made.
- 1.2 The Council, as a billing authority, is required to calculate a separate Tax Base for the Brixham Town Council area. A Tax Base calculation for the area is provided in Appendix 2 for an appropriate decision to be made.

## **2. Proposed Decision**

- 2.1 **That the calculation of the Council Tax Base for the year 2017/18 be approved as shown in Appendix 1 to the submitted report.**
- 2.2 **That the calculation of the Brixham Town Council Tax Base for the year 2017/18 be approved as shown in Appendix 2 to the submitted report.**
- 2.3 **That, in accordance with the Local Authorities (Calculation of Tax base) (England) Regulations 2012, the amount calculated by Torbay Council as its Council Tax base for the year 2017/18 should be 44,049.22. (Dependant on approval of 2.1).**
- 2.4 **That, in accordance with the Local Authorities (Calculation of Tax base) (England) Regulations 2012, the amount calculated by Torbay Council as the Council Tax base for Brixham Town Council for the year 2017/18 should be 5,900.83. (Dependant on approval of 2.2).**

### **3. Reason for Decision**

- 3.1 The calculation of the Council Tax Base for both Torbay and Brixham Town Council is a statutory requirement in the budget setting process.

For more detailed information on this proposal please refer to the supporting information.

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## **Supporting Information**

### **4. Position**

#### **A1. Taxbase**

- A1.1 The Council is required by the 31<sup>st</sup> January to establish a base figure for the purpose of setting the level of Council Tax each year – the “Tax Base”. The calculation of this figure is prescribed by the Local Authorities (Calculation of Tax Base) (England) Regulations 2012.
- A1.2 The Regulations require this calculation to be made between 1<sup>st</sup> December 2016 and 31<sup>st</sup> January 2017 and for this figure to be notified to precepting authorities by the 31<sup>st</sup> January 2017. For the year commencing 1<sup>st</sup> April 2017 these will be the major precepting authorities of Police and Crime Commissioner for Devon and Cornwall, Devon and Somerset Fire and Rescue Authority and as a local precepting authority, Brixham Town Council.
- A1.3 Torbay Council, together with Police and Crime Commissioner for Devon and Cornwall, Devon and Somerset Fire and Rescue Authority and Brixham Town Council are required to use the tax base calculated by Torbay Council, as the billing authority, to determine their basic amounts of Council Tax for 2017/18.
- A1.4 The calculation of the tax base is prescribed by statute. It reflects the aggregate of the “relevant amounts” for each valuation band (including the impact from Council Tax Support Scheme) multiplied by the anticipated collection rate for the year. The calculation for the Council’s tax base is shown in Appendix 1 and the calculation for Brixham Town Council is shown in Appendix 2.
- A1.5 The calculation of the relevant amount begins with the actual number of dwellings on the “relevant date”. For 2017/18 this is the 30<sup>th</sup> November 2016 and this is the date that must be used. This number is adjusted to make allowance for estimated variations to the list in the course of the year and for the impact of allowed discounts to certain classes of dwellings.
- A1.6 The impact of the Council Tax Support Scheme including the impact of the exceptional hardship scheme, which is linked to claimants, is converted to an equivalent number of dwellings per band by dividing the estimated cost per band of the reductions divided by the estimated Council Tax for that band. Council is due to receive a proposal for the scheme in 2017/18 at its December meeting. The calculation of the tax base incorporates those proposals.
- A1.7 These are then converted into Band “D” equivalents to produce the “relevant” amounts prescribed by the Regulations.

- A1.8 The billing authority then estimates its Council Tax Collection Rate, which is the percentage of 2017/18 Council Tax demands which it predicts will be paid into the Collection Fund during 2017/18. The in year Collection rate estimated for 2017/18 is 96.0% and this is reflected in the Tax Base calculation. Any tax collected in excess of 96.0% for the billing year 2017/18 and prior years will be reflected in the annual Collection Fund surplus.
- A1.9 The calculated Council's tax base for 2017/18 of 44,049.22 compares with the 2016/17 tax base of 43,180.70 a 2.0% increase. This increase reflects the growth in the number of properties, which may be either new build or older properties, adapted and brought back in to use offset by the number of dwellings subject to an exemption, discount or a reduction and the impact of the Council Tax Support Scheme.
- A1.10 To calculate the council tax due to Brixham Town Council a Tax Base must be determined by Torbay Council, as the billing authority. The tax base for Brixham Town Council is and the calculation is shown in Appendix 2.
- A1.11 The calculated Brixham Town Council's tax base for 2017/18 of 5,900.83 compares with the 2016/17 tax base of 5,811.07 a 1.5% increase.

## **A2 Technical Adjustments**

- A2.1 Within the taxbase calculation there are a number of exemptions and discounts for certain categories of dwellings. Some of these are set by central government and some the Council has discretion over. There are no new options available for discretionary technical adjustments and therefore no changes are proposed.

## **3. Possibilities and Options**

- 3.1 None – calculation of taxbase is based on statute.

## **4. Fair Decision Making**

- 4.1 Not applicable

## **5. Public Services (Social Value) Act 2012**

- 5.1 Not applicable

## **6. Risks**

- 6.1 If taxbase not approved by end of January 2017 then the Council is unable to set a budget and this will impact on other precepting bodies.

## **7. Appendices**

- Appendix 1                    The calculation of Torbay Council Tax Base 2017/18  
Appendix 2                    The calculation of Brixham Town Council Tax Base 2017/18