



# CORPORATE SERVICES OVERVIEW AND SCRUTINY PANEL

TUESDAY, 6TH DECEMBER, 2016

At 6.30 pm

in the

COUNCIL CHAMBER - TOWN HALL,

## SUPPLEMENTARY AGENDA

### PART I

<u>ITEM</u>	<u>SUBJECT</u>	<u>PAGE NO</u>
6.	<u>COUNCIL TAX BASE REPORT</u> To comment on the Cabinet report.	3 - 12

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Report for: ACTION



<b>Contains Confidential or Exempt Information</b>	NO - Part I
<b>Title</b>	<b>Council Tax Base 2017-18</b>
<b>Responsible Officer(s)</b>	Russell O'Keefe, Strategic Director of Corporate and Community Services, 01628 796521
<b>Contact officer, job title and phone number</b>	Rob Stubbs, Head of Finance, 01628 796341
<b>Member reporting</b>	Councillor Saunders, Lead Member for Finance
<b>For Consideration By</b>	Cabinet
<b>Date to be Considered</b>	15 December 2016
<b>Implementation Date if Not Called In</b>	February 2017
<b>Affected Wards</b>	All

## REPORT SUMMARY

1. This report deals with the statutory requirement to set the Council's tax base for Council Tax for 2017-18. The tax base is used by Thames Valley Police, Berkshire Fire & Rescue Authority, local Parish Councils as well as the Borough for setting precepts and Council Tax next year.
2. The tax base is in line with the level anticipated in the Councils Medium Term Financial Plan and has increased since last year for two main reasons:
  - The number of properties being built.
  - Reduced number of households claiming Local Council Tax Support Discount.

## If recommendations are adopted, how will residents benefit?

Benefits to residents and reasons why they will benefit	Dates by which they can expect to notice a difference
1. Assurance that the Council is meeting its legal obligations to set its tax base.	On publication of the report
2. Efforts to maintain a low level of council tax are being made.	On publication of the report.

## 1. DETAILS OF RECOMMENDATIONS

### RECOMMENDED: That Cabinet:

- (i) Approves the council tax base for the whole of the Borough area, for the year 2017-18 at 66,709.64 as detailed in this report and appendices.
- (ii) Approves a grant to Parishes to compensate them for the loss of tax base due to the delivery of Council Tax Support as a discount (see paragraph 3.2).

## 2. REASON FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED

Option	Comments
Accept the recommendations	Council Tax is likely to achieve planned levels.
Reduce the non-payment percentage.	There is no guarantee the Council would recover the increased Council Tax arising from this action.

## 3. KEY IMPLICATIONS

Defined Outcomes	Unmet	Met	Exceeded	Significantly Exceeded	Date delivered
The rate of council tax not collected	>0.55%	0.45% - 0.55%	0.45% - 0.35%	<0.35%	March 31 <sup>st</sup> 2018.

- 3.1 **Local Council Tax Support (LCTS)** The delivery of LCTS as a discount under the localisation initiative has a significant impact on the tax base with in excess of 3700 properties estimated to receive up to 100% discount, dependant on their circumstances. However indications are that the numbers of claimants across the Borough are falling. The estimated cost of the discount is lower in 2017-18 (£4,107,000) compared to 2016-17 (£4,170,000). This comes through as an increase in the tax base compared to the estimate used in 2016-17.
- 3.2 **Parish Grant.** The Borough and major precepting authorities receive compensating adjustments in the Rate Support Grant for the effect of LCTS which the Parish Councils do not have access to. Billing Authorities are encouraged by DCLG to make arrangements to compensate Parish Councils for their loss. For the last four years Cabinet has agreed to compensate parish councils for any net loss. The total payments to Parishes in 2016-17 will be £64,000 and a recommendation is included in this report that the grant is re-calculated and paid in 2017-18. It is anticipated that total payments will be similar to 2016-17.
- 3.3 **New Properties.** Provision needs to be made in the 2017-18 tax base for new properties that are likely to be occupied before the end of the next financial year. This provision is calculated by colleagues in the revenues<sup>4</sup> team following conversations with planners, building control and local builders. Such has the growth been in local

housing recently that the part year effect of 850 properties will be included in the provision for 2017-18.

- 3.4 **Collection Rate.** A review of eventual collection rates has been carried out which revealed that assumptions used to calculate the 2016-17 tax base (99.5%) are adequate and no changes are proposed.
- 3.5 **Business Rates.** Under the localisation of Business Rates initiative, also enabled in the Local Government Finance Bill, the borough now has a greater financial interest in the local business rate tax base as the Borough now shares in the risks and rewards associated with growth in the local economy. Whilst the Business rate tax base can be estimated using last years returns the actual Business Rate tax base cannot be calculated until DCLG publishes the NNDR1 return in January. Information on the business rate tax base will, therefore, be included in the Budget report to February Cabinet along with other assumptions that have been made about the income that is likely to accrue.

#### 4. FINANCIAL DETAILS

- 4.1. The Council tax base for the individual parts of the Royal Borough (both parished and unparished areas) is as follows:

<b>PARISH</b>	<b>Local Tax Base 2017-18 (band D equivalent properties)</b>
Bisham	731.07
Bray	4,183.27
Cookham	2,889.38
Cox Green	3,070.64
Datchet	2,193.73
Eton	1,778.20
Horton	461.71
Hurley	997.75
Old Windsor	2,361.98
Shottesbrooke	70.66
Sunningdale	3,423.44
Sunninghill	6,333.09
Waltham St Lawrence	665.93
White Waltham	1,238.77
Wraysbury	2,142.80
<b>UNPARISHED</b>	
Maidenhead	20,929.40
Windsor	13,237.82
<b>TOTAL</b>	<b>66,709.64</b>

- 4.2. The Council's budget requirement divided by the tax base (above) equals the Band D council tax that is set by the Council in February 2017.
- 4.3. The tax base has increased by 1013.02 band D equivalent properties since 2016-17 which is an increase of 1.5%.
- 4.4. Band D equivalent properties are the number of band D properties in the area which would raise the same council tax as the actual number of properties in all

bands. For example, one band H property is equivalent to two band D properties, because the taxpayer in a Band H property pays twice as much council tax.

## 5. LEGAL IMPLICATIONS

5.1 This report is part of the process required for the Council to meet its legal obligations to set its tax base and an annual budget.

## 6. VALUE FOR MONEY

6.1 The budget process ensures a constant review of budgets for economy, efficiency and effectiveness.

## 7. SUSTAINABILITY IMPACT APPRAISAL

7.1 N/A

## 8. Risk Management

Risks	Uncontrolled Risk	Controls	Controlled Risk
That the non-collection rate of 0.5% proves to be inadequate.	A deficit on the collection fund will result and this would be used to adjust future calculations of council tax.	The non-collection rate is the best estimate based on past collection rates.  The collection rate is monitored throughout the year.	Minimal

## 9. LINKS TO STRATEGIC OBJECTIVES

9.1 Residents can be assured that the Council is providing value for money in setting the taxbase.

## 10. EQUALITIES, HUMAN RIGHTS AND COMMUNITY COHESION

10.1 None

## 11. STAFFING/WORKFORCE AND ACCOMMODATION IMPLICATIONS

11.1 None.

## 12. PROPERTY AND ASSETS

12.1 None.

## 13. ANY OTHER IMPLICATIONS

13.1 None.

## 14. CONSULTATION

14.1 Overview & Scrutiny meetings are scheduled prior to this Cabinet. Any comments from those meetings will be reported verbally to Cabinet.

**15. TIMETABLE FOR IMPLEMENTATION**

15.1 The budget for 2017-18 will be finalised in January 2017 with full details going to Cabinet and Council in February 2017. Residents will be advised of their Council Tax in March 2017.

**16. APPENDICES**

16.1 Appendix A Analysis of properties.  
 Appendix B Tax base by parish by band.  
 Appendix C 2017-18 tax base compared with 2016-17.

**17. BACKGROUND INFORMATION**

17.1 Council tax base report 17<sup>th</sup> December 2015.

**18. CONSULTATION (MANDATORY)**

Name of consultee	Post held and Department	Date sent	Date received	See comments in paragraph:
<b>Internal</b>				
Cllr Saunders	Lead Member for Finance	14 Nov. 2016	16 Nov. 2016	
Cllr Rankin	Deputy Lead Member for Finance	14 Nov. 2016	14 Nov. 2016	
Alison Alexander	Managing Director	14 Nov. 2016		
Russell O'Keefe	Strategic Director for Corporate and Community Services	14 Nov. 2016	17 Nov. 2016	
Simon Fletcher	Strategic Director for Operations and Customer Services	14 Nov. 2016		
<b>External None</b>				

**REPORT HISTORY**

<b>Decision type:</b>	<b>Urgency item?</b>
For information	No

Full name of report author	Job title	Full contact no:
Richard Bunn	Chief Accountant	01628 796510

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Tax Base 2017/18 - Analysis of Properties

BAND		A (Entitled to Disabled Relief Reduction)	A	B	C	D	E	F	G	H	TOTAL
<b>Number Of Properties</b>											
Full Charge		1	731	1,159	4,785	10,582	9,217	6,234	7,638	1,431	41,778
25%Discount	25.00%	0	864	2,159	3,950	4,798	3,406	1,640	1,403	149	18,369
Empty Property Zero Discount <2Y	0.00%	0	39	77	145	261	195	109	118	57	1,001
Second Homes	0.00%	0	81	57	116	197	153	79	101	67	851
Empty Property Premium >2Y	50.00%	0	35	68	33	34	37	18	30	10	265
Statutory 50% Discounts	50.00%	0	6	2	6	7	7	12	34	14	88
Exemptions		0	152	275	214	245	128	69	101	22	1,206
Equivalent property reductions resulting from		0	-248	-830	-1,132	-1,054	-319	-107	-53	0	-3,743
MOD Properties		0	0	168	116	113	14	11	50	0	470
<b>Total No. of Properties</b>											
		1	1,660	3,134	8,233	15,183	12,837	8,065	9,422	1,750	60,285
<b>Total Equiv No.</b>											
		1.00	1,306.47	2,352.48	7,045.43	13,751.98	11,872.60	7,588.82	8,967.78	1,688.37	54,574.93
<b>Ratio to Band D</b>											
		5/9	6/9	7/9	8/9	1	11/9	13/9	15/9	2	
<b>BAND D EQUIVALENT</b>											
		0.56	870.98	1,829.71	6,262.60	13,751.98	14,510.96	10,961.63	14,946.30	3,376.75	66,511.47

**Tax Base 2017/18 - Band D Equivalents**

<b>BAND</b>	<b>A (Entitled to Disabled Relief Reduction)</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>	<b>TOTAL</b>
<b>Parish</b>										
<b>Bisham</b>	0.00	3.17	2.53	4.44	31.98	107.43	127.82	373.45	83.92	734.74
<b>Bray</b>	0.00	152.06	177.81	188.24	501.52	1,018.33	753.49	1,264.48	144.00	4,199.93
<b>Cookham</b>	0.00	55.24	22.75	136.72	321.21	794.65	458.22	901.37	205.50	2,895.66
<b>Cox Green</b>	0.00	8.29	79.49	169.89	765.39	1,145.41	694.78	214.28	8.00	3,085.53
<b>Datchet</b>	0.00	21.08	52.83	326.41	352.31	447.08	380.44	590.43	33.00	2,203.58
<b>Eton</b>	0.00	5.93	52.01	167.84	562.97	503.51	194.83	223.48	74.00	1,784.57
<b>Horton</b>	0.00	15.80	11.95	54.07	76.86	109.95	111.38	74.52	9.50	464.03
<b>Hurley</b>	0.00	39.64	16.14	52.91	150.80	169.94	116.25	349.25	103.00	997.93
<b>Old Windsor</b>	0.00	19.13	45.25	138.04	387.86	796.63	390.87	516.25	71.50	2,365.53
<b>Shottesbrooke</b>	0.00	1.17	0.58	1.56	6.26	18.03	8.67	21.25	13.50	71.02
<b>Sunningdale</b>	0.00	29.33	29.14	106.85	413.37	459.95	468.42	855.92	940.00	3,302.98
<b>Sunninghill</b>	0.00	115.24	81.15	324.64	868.49	840.73	1,154.39	2,044.80	898.22	6,327.66
<b>Waltham St Lawrence</b>	0.00	12.68	4.47	16.59	55.88	124.26	87.89	284.17	81.00	666.94
<b>White Waltham</b>	0.00	32.54	56.24	88.69	298.99	286.31	124.66	305.83	44.50	1,237.76
<b>Wraysbury</b>	0.00	32.93	36.42	47.20	222.60	276.21	490.20	928.60	117.00	2,151.16
<b>UNPARISHED</b>										
<b>Maidenhead</b>	0.56	134.15	700.54	3,178.10	4,739.41	4,018.19	3,533.62	4,115.92	342.00	20,762.49
<b>Windsor</b>	0.00	192.61	460.41	1,260.42	3,996.07	3,394.36	1,865.73	1,882.30	208.10	13,260.00
	0.56	870.99	1,829.71	6,262.61	13,751.97	14,510.97	10,961.66	14,946.30	3,376.74	66,511.51
<b>Valuation changes in year 2016/17</b>		39.21	160.60	217.78	30.10	19.70	17.18	43.18	5.60	533.35
	0.56	910.20	1,990.31	6,480.39	13,782.07	14,530.67	10,978.84	14,989.48	3,382.34	67,044.86
<b>Deduct Non-Collection Rate of .50%</b>	0.00	4.57	9.94	32.38	68.90	72.66	54.88	74.95	16.94	335.22
<b>COUNCIL TAX BASE</b>	<b>0.56</b>	<b>905.63</b>	<b>1,980.37</b>	<b>6,448.01</b>	<b>13,713.17</b>	<b>14,458.01</b>	<b>10,923.96</b>	<b>14,914.53</b>	<b>3,365.40</b>	<b>66,709.64</b>

Local Tax Base 2017/18						
PARISH	Band D Equivalents	ADD Valuation Changes in 2017/18	LESS Non Collection Allowance	Local Tax Base 2017/18	Local tax Base 2016/17	Change
Bisham	734.74	-	-3.67	731.07	720.16	10.91
Bray	4,199.93	4.36	-21.02	4,183.27	4,166.73	16.54
Cookham	2,895.66	8.24	-14.52	2,889.38	2,849.36	40.02
Cox Green	3,085.53	0.54	-15.43	3,070.64	3,049.93	20.71
Datchet	2,203.58	1.17	-11.02	2,193.73	2,180.36	13.37
Eton	1,784.57	2.57	-8.94	1,778.20	1,736.21	41.99
Horton	464.03	-	-2.32	461.71	453.60	8.11
Hurley	997.93	4.83	-5.01	997.75	978.46	19.29
Old Windsor	2,365.53	8.32	-11.87	2,361.98	2,367.56	- 5.58
Shottesbrooke	71.02	-	-0.36	70.66	73.72	- 3.06
Sunningdale	3,302.98	137.66	-17.20	3,423.44	3,291.90	131.54
Sunninghill	6,327.66	37.25	-31.82	6,333.09	6,333.29	- 0.20
Waltham St Lawrence	666.94	2.34	-3.35	665.93	657.21	8.72
White Waltham	1,237.76	7.24	-6.23	1,238.77	1,186.87	51.90
Wraysbury	2,151.16	2.41	-10.77	2,142.80	2,134.75	8.05
<b>UNPARISHED</b>						
Maidenhead	20,762.49	272.08	-105.17	20,929.40	20,452.10	477.30
Windsor	13,260.00	44.34	-66.52	13,237.82	13,064.41	173.41
<b>TOTALS</b>	<b>66,511.51</b>	<b>533.35</b>	<b>-335.22</b>	<b>66,709.64</b>	<b>65,696.62</b>	<b>1,013.02</b>

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