

AGENDA ITEM 9

BRISTOL CITY COUNCIL FULL COUNCIL 15 December 2015

REPORT TITLE: Approval of Council Tax Base 2016/17 with Delegation of changes required and Delegation of Business Rate Estimate 2016/17

Ward(s) affected by this report: All

Strategic Director: Max Wide

Report author: Peter Gillett, **Service Director:** Finance (S151 Officer)

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peter.gillett@bristol.gov.uk

Purpose of the report:

To set a council tax base and business rate tax base for 2016/17. Setting the council tax base is a statutory requirement that forms the basis of the calculation of the council tax charge for 2016/17. Regulations also require the Council to formally set a business rate tax base on the same timescale as the council tax base (i.e. by 31 January each year).

The purpose of this report is to provide details of the council tax base for 2016/17 for budget setting purposes for Bristol City Council and its major preceptors, Avon & Somerset Police Authority and Avon Fire Authority based on current position and recommend delegation of changes, before the statutory deadline, to the Section 151 Officer. In addition the report recommends the delegation of the production of estimates of the Business Rate Receipts for 2016/17 to the Section 151 Officer.

Recommendation:

The S151 Officer recommends Council to:

1. agree the council tax base for 2016/17 as 120,946 based on data to November 2015.
2. delegate authority to the Section 151 Officer, in consultation with the Portfolio Holder for Finance, to determine the business rates tax base for 2016/17.

Context

3. Bristol City Council has the power in statute to raise a tax on households in its area to pay for the provision of local services. It is designated as the Billing Authority for the area. This means that it is responsible for levying a council tax to meet its own demands and to meet the precepts of other authorities in the area. The major precepting bodies are:
 - Avon & Somerset Police Authority and
 - Avon Fire Authority.
4. Section 67 of the Local Government Finance Act 1992 requires the Council to determine its tax base for council tax purposes each year. Properties are recorded in eight national bands by value (A to H) as determined the Valuation Office agency. Band H taxpayers pay twice as much as those in Band D and three times as much as those in Band A. The number of properties is expressed as a number of Band D equivalent properties.
5. In accordance with Regulations the Authority must set a tax base for council tax purposes and notify major precepting bodies by 31 January each year.

Local Council Tax Reduction Scheme

6. From 1 April 2013 local council tax support schemes replaced council tax benefit in England. Under these local schemes reductions are part of the council tax system rather than a welfare benefit. Bristol City Council introduced a localised scheme that provided a full set of discounts that replicated the previously existing national Council Tax benefit scheme. No change to this arrangement is proposed for 2016/17.

Calculation of council tax base

7. The calculation has been prepared in accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 2012 which came into force on 30 November 2012.
8. In October each year DCLG requires a snapshot of the Tax Base at a specified date in September, net of exemptions, reductions and discounts. This is known as the CTB1 return. A copy of the return for October 2015 is attached as Appendix A to this report. The figure for the Authority, denominated in band D equivalents is 122,838.
9. In November 2015 additional data, particularly around exemptions due to student occupation and the general progress of a number of residential developments in the City became available. This has slightly adjusted the Tax Base as per the table below,

	Band D Equivalent Properties
DCLG Return (October 2015)	122.838
Adjustment to reflect discretionary discounts	
ADD Changes re additional properties	1,000
LESS Additional exemptions awarded	(1,050)
	122,788
Multiplied by the Collection Rate	98.5%
Proposed Tax Base for 2016/17	120,946

Business Rates tax base

10. The Local Government Finance Act 2012 made it obligatory for authorities to formally calculate the estimated level of business rates (the business rates tax base) it anticipates collecting for the forthcoming financial year and pass this information to precepting authorities by 31 January. From 1 April 2013 under the Business Rates Retention Scheme, Bristol City Council will retain 49% of any growth in business rates collected, 1% will go to the Fire Authority and the remaining 50%, known as the Central Share will go to the Government. As the data for calculating the business rates tax base will not be finalised until January and the return to the DCLG (NNDR1) has not yet been received, it is recommended that the responsibility for setting these figures be delegated to the Section 151 Officer in consultation with the Portfolio Holder for Finance.

Consultation and scrutiny input:

- a. **Internal consultation:**
Business Change and Resources Scrutiny Commission
Strategic Leadership team
- b. **External consultation:**
None

Finance

a. Financial implications (Peter Gillett – Service Director – Finance):

The council tax base and business rates tax base will be taken into account when the budget and council tax is set in February 2016.

b. Legal implications (Shahzia Daya – Interim Service Director – Legal & Democratic Services):

The tax base must be calculated in accordance with the relevant government regulations.

d. Land / property implications:

Not required for this report

e. Human resources implications:

Not required for this report

Appendices:

Appendix A – Copy of the CTB report submitted to the DCLG October 2015

CALCULATION OF COUNCIL TAX BASE
CTB(October 2015) form

Please email to: ctb.statistics@communities.gsi.gov.uk

Please enter your details after checking that you have selected the correct authority name

This form should be received by DCLG by e-mail no later than Friday 16 October 2015

Ver 1.1

These instructions highlight the special features of the form and should be read in conjunction with the Notes for completion of the CTB(October 2015) form, the Notes for completion of the CTB(Supplementary)(October 2015) form and Validation checks for the CTB(October 2015) form.

Completing the form

You are advised, in the first instance, to set up the form for your own local authority by selecting the appropriate authority name from the list in the CTB form. You should then complete the rest of the parts of the form in the order the tabs are set out before returning to complete the main CTB form. This is because the data from these tabs feed into the main CTB form and will help with its completion. Once the main CTB form is completed you will need to check to ensure there are no error messages flagged on earlier tabs and then you should deal with any validation queries that have been generated.

There are three different coloured input cells in the form:



White background, black border - these cells are blank for new data - Please ensure all the white cells are completed (including zeroes) before submitting the form



White background, blue border - actual data entered by Department for Communities and Local Government



Green background, green border - These cells are all calculations and have the appropriate formula. DO NOT overwrite these cells but please check that you are happy with the calculation.

Checking the Validation Sheet

Once the form is completed go to the Validation sheet to provide any explanations about the data you have entered. The data being entered are compared with the CTB and CTB(Supplementary) forms for October 2014 and other data. If the change between the data is higher or lower than we would normally expect, please provide an explanation for the change in the box provided.

Certifying the Form

When the data has been checked and verified please email the complete workbook to ctb.statistics@communities.gsi.gov.uk

You should also print a copy of the form for certification by your Chief Financial Officer. To print a copy of the form, go to the Name Box (left hand corner below the font box) and select 'Print_Area'.

The signed form should be sent as a .pdf file by email to ctb.statistics@communities.gsi.gov.uk

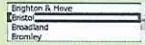
If you experience any problems using the form please email ctb.statistics@communities.gsi.gov.uk

CTB(October 2015)

Calculation of Council Tax Base

Please e-mail to : ctb.statistics@communities.gsi.gov.uk

Please enter your details after checking that you have selected the correct local authority name



Ver 1.1

Please select your local authority's name from this list

Check that this is your authority :	Bristol
E-code :	E0102
Local authority contact name :	Martin Smith
Local authority contact telephone number :	0117 975 5744
Local authority contact e-mail address :	Martin.smith@bristol.gov.uk

CTB(October 2015) form for Bristol

Completed forms should be received by DCLG by Friday 16 October 2015

Dwellings shown on the Valuation List
for the authority on
Monday 14 September 2015

Band A
entitled to
disabled
relief
reduction
COLUMN 1

Band A
COLUMN 2Band B
COLUMN 3Band C
COLUMN 4Band D
COLUMN 5Band E
COLUMN 6Band F
COLUMN 7Band G
COLUMN 8Band H
COLUMN 9TOTAL COLUMN
10

Part 1

1. Total number of dwellings on the Valuation List		49,763	72,270	38,191	17,562	9,405	4,702	2,829	331	195,053.0
2. Number of dwellings on valuation list exempt on 5 October 2015 (Class B & D to W exemptions)		1,568	1,376	1,374	1,147	938	172	46	15	6,636.0
3. Number of demolished dwellings and dwellings outside area of authority on 5 October 2015 (please see notes)		0	1	0	0	0	0	0	0	1.0
4. Number of chargeable dwellings on 5 October 2015 (treating demolished dwellings etc as exempt) (lines 1-2-3)		48,195	70,893	36,817	16,415	8,467	4,530	2,783	316	188,416.0
5. Number of chargeable dwellings in line 4 subject to disabled reduction on 5 October 2015		33	204	158	95	55	29	34	29	637.0
6. Number of dwellings effectively subject to council tax for this band by virtue of disabled relief (line 5 after reduction)	33	204	158	95	55	29	34	29		637.0
7. Number of chargeable dwellings adjusted in accordance with lines 5 and 6 (lines 4-5+6 or in the case of column 1, line 6)	33	48,366	70,847	36,754	16,375	8,441	4,535	2,778	287	188,416.0
8. Number of dwellings in line 7 entitled to a single adult household 25% discount on 5 October 2015	7	22,177	21,111	9,692	3,695	1,670	652	326	24	59,354.0
9. Number of dwellings in line 7 entitled to a 25% discount on 5 October 2015 due to all but one resident being disregarded for council tax purposes	0	382	681	359	164	69	24	13	3	1,695.0
10. Number of dwellings in line 7 entitled to a 50% discount on 5 October 2015 due to all residents being disregarded for council tax purposes	0	27	64	62	30	31	35	46	21	316.0
11. Number of dwellings in line 7 classed as second homes on 5 October 2015 (b/fwd from Flex Empty tab)		627	575	356	247	122	43	16	7	1,993.0
12. Number of dwellings in line 7 classed as empty and receiving a zero% discount on 5 October 2015 (b/fwd from Flex Empty tab)		0	0	0	0	0	0	0	0	0.0
13. Number of dwellings in line 7 classed as empty and receiving a discount on 5 October 2015 and not shown in line 12 (b/fwd from Flex Empty tab)		1,078	722	309	177	61	35	28	3	2,413.0
14. Number of dwellings in line 7 classed as empty and being charged the Empty Homes Premium on 5 October 2015 (b/fwd from Flex Empty tab)		136	108	47	26	11	7	2	3	340.0
15. Total number of dwellings in line 7 classed as empty on 5 October 2015 (lines 12, 13 & 14).		1,214	830	356	203	72	42	30	6	2,753.0
16. Number of dwellings that are classed as empty on 5 October 2015 and have been for more than 6 months. NB These properties should have already been included in line 15 above.		370	332	152	67	34	22	16	5	998.0
16a. The number of dwellings included in line 16 above which are empty on 5 October 2015 because of the flooding that occurred between 1 December 2013 and 31 March 2014 and are only empty because of the flooding.		0	0	0	0	0	0	0	0	0.0
17. Number of dwellings that are classed as empty on 5 October 2015 and have been for more than 6 months and fall to be treated under empty homes discount class D (formerly Class A exemptions). NB These properties should have already been included in line 15 above. Do NOT include any dwellings included in line 16A above.		27	32	20	13	4	4	3	0	103.0
18 Line 16 - line 16a - line 17. This is the equivalent of line 18 on the CTB(October 2014) and will be used in the calculation of the New Homes Bonus.		343	300	132	54	30	18	13	5	895.0
19. Number of dwellings in line 7 where there is liability to pay 100% council tax before Family Annexe discount	26	24,566	48,161	26,285	12,283	6,599	3,782	2,363	233	124,298.0
20. Number of dwellings in line 7 that are assumed to be subject to a discount or a premium before Family Annexe discount	7	23,800	22,666	10,469	4,092	1,842	753	415	54	64,118.0
21. Reduction in taxbase as a result of the Family Annexe discount (b/fwd from Family Annexe tab)	0.0	0.0	0.0	0.0	6.0	0.0	0.0	0.0	0.0	6.0
22. Number of dwellings equivalents after applying discounts and premiums to calculate taxbase	31.3	42,647.8	65,301.5	34,177.5	15,369.5	7,984.1	4,345.7	2,665.6	271.1	172,793.9

CTB(October 2015)

Calculation of Council Tax Base

Please e-mail to : ctb.statistics@communities.gsi.gov.uk

Please enter your details after checking that you have selected the correct local authority name

Brighton & Hove
 Bristol
 Bromley
 Brentford

Ver 1.1

23. Ratio to band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
24. Total number of band D equivalents (to 1 decimal place) (line 22 x line 23)	17.4	28,431.8	50,790.1	30,380.0	15,369.5	9,758.3	6,277.1	4,442.6	542.1	146,008.9
25. Number of band D equivalents of contributions in lieu (in respect of Class O exempt dwellings) in 2015-16 (to 1 decimal place)										17.1
26. Tax base (to 1 decimal place) (line 24 col 10 + line 25)										146,026.0

Calculation of Council Tax Base

Please e-mail to : ctb.statistics@communities.gsi.gov.uk

Brighton & Hove
 Bristol
 Broadland
 Bromley

Please enter your details after checking that you have selected the correct local authority name

Part 2

27. Number of dwellings equivalents after applying discounts and premiums to calculate tax base (Line 22)	31.25	42,647.75	65,301.50	34,177.50	15,369.50	7,984.10	4,345.65	2,665.55	271.05	172,793.9
28.Reduction in taxbase as a result of local council tax support (b/fwd from CT Support tab)	9.04	15,066.20	12,086.29	3,143.90	643.83	176.10	43.80	12.76	0.03	31,182.0
29. Number of dwellings equivalents after applying discounts, premiums and local tax support to calculate taxbase	22.2	27,581.6	53,215.2	31,033.6	14,725.7	7,808.0	4,301.9	2,652.8	271.0	141,611.9
30. Ratio to band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
31. Total number of band D equivalents after allowance for council tax support (to 1 decimal place) (line 29 x line 30)	12.3	18,387.7	41,389.6	27,585.4	14,725.7	9,543.1	6,213.8	4,421.3	542.0	122,820.9
32. Number of band D equivalents of contributions in lieu (in respect of Class O exempt dwellings) in 2015-16 (to 1 decimal place)(line 25)										17.1
33. Tax base after allowance for council tax support (to 1 decimal place) (line 31 col 10 + line 32)										122,838.0

Certificate of Chief Financial Officer

I certify that the information provided on this form is based on the dwellings shown in the Valuation List for my authority on 14 September 2015 and that it accurately reflects information available to me about exemptions, demolished dwellings, disabled relief, discounts and premiums applicable on 5 October 2015 and, where appropriate, has been completed in a manner consistent with the form for 2014.

Chief Financial Officer :



Date : 14/10/15

Local authority contact name : Martin Smith
 Local authority contact telephone number: 0117 975 5744
 Local authority contact e-mail address : 0117 975 5744