



Council Tax Base for 2011/12

SUMMARY

- 1.1 The Council has to calculate its 'council tax base' for 2011/12 as a means of raising council tax income for the 2011/12 financial year from Derby council tax payers.
- 1.2 The tax base is an estimated figure of the number of domestic properties in terms of 'band D' in the Council's area during the year. It is used to determine a headline charge for band D properties in the city. Charges for other bands are calculated as defined fractions of the headline charge
- 1.3 The proposed council tax base for 2011/12 is 72,278.83 band D equivalent properties compared with the 2010/11 council tax base of 71,114.57. This represents an increase of 1,164.26 band D equivalent properties. The reasons for the increase are:
 - An increase in the number of domestic properties within the city at the time of calculating the proposed council tax base for 2011/12 when compared to the figure used for calculating 2010/11 council tax base. The actual increase in domestic properties is 919.
 - A prudent estimate of the number of newly built homes between 1 December 2010 and 31 March 2012 that will add to the tax base.

RECOMMENDATION

- 2.1 To approve the council tax base for the year 2011/12 as 72,278.83 band D equivalent properties in accordance with the Local Authorities (Calculation of Council Tax Base) (Amendment) (England) Regulations 2003 (SI 2003/3012).
- 2.2 That in accordance with the methodology and estimates shown at Appendices 2 and 3 Cabinet recommends to approve this calculation to Full Council at their meeting on 19 January 2011.

REASONS FOR RECOMMENDATION

- 3.1 Agreeing the council tax base is the first step in the process of setting the council tax to be collected in 2011/12 and is an essential part of establishing the 2011/12 budget.

SUPPORTING INFORMATION

- 4.1 The calculation of the council tax base for the City is a key stage in the budget setting process and will form the basis for the council tax charge for the Council's council tax payers for 2011/12. The tax base has to be notified to Derbyshire Police Authority and Derbyshire Fire Authority by 31 January 2011 so that they can set their precept for all the council tax payers in Derbyshire.
- 4.2 The tax base is an estimated figure of the number of domestic properties in terms of band D in the Council's area during the year. It is used to determine a headline charge for band D. Charges for other bands are calculated as defined fractions of the headline charge.
- 4.3 By law, the Council must calculate its council tax base for 2011/12 by no later than 31 January 2011.
- 4.4 The tax base calculations are shown at appendix 2 which shows our estimated tax base to be 73,454.1 band D equivalent properties. Applying the non-collection allowance of 1.6% to the estimated tax base of 73,454.1 gives a rounded band D equivalent tax base of 72,278.83

OTHER OPTIONS CONSIDERED

- 5.1 Setting the council tax base is a statutory duty.

This report has been approved by the following officers:

Legal officer	Clare Wasteney
Financial officer	Ciaran Guilfoyle
Human Resources officer	Rod Wood
Service Director(s)	Kath Gruber, Martyn Marples
Other(s)	Julian Kearsley

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Background papers:	Appendix 1 – Implications
List of appendices:	Appendix 2 – Calculation of relevant amounts

IMPLICATIONS

Financial

- 1.1 The estimated council tax base for 2011/12 of 72,278.83 compares with 71,114.57 used for 2010/11 tax setting purposes. The main reasons for the increase are shown in part 1.3 of the report.

Legal

- 2.1 The Council is required to calculate its tax base under the Local Government Finance Act 1993, Section 33(1), and the Local Authorities (Calculation of Council Tax Base) (Amendment) (England) Regulations 2003. The Council has a duty to notify Derbyshire Police Authority and Derbyshire Fire Authority of its council tax base by 31 January 2011.

Personnel

- 3.1 None.

Equalities Impact

- 4.1 None.

Health and Safety

- 5.1 None.

Carbon commitment

- 6.1 None.

Value for money

- 7.1 None.

Corporate objectives and priorities for change

- 8.1 This report is the first step in setting the council tax for the forthcoming financial year. As such, it is part of the income generating process for the Council. It therefore links to all the Council objectives, as the Council needs the income from council tax to fund its activities.

APPENDIX 2

COUNCIL TAX BASE FOR 2011/12

Calculation of relevant amounts

Valuation Band	Number of properties per Valuation List 30.11.10	Number of chargeable dwellings after exemptions 30.11.10 (H)	Number of single person discounts and disregards 30.11.10	Number of long term void properties for which 90% charge to be levied 30.11.10	Number of double discounts (50% charge) 30.11.10	Total net effect of discounts (Q)	Adjustment for future changes (J)	Proportion of Band D (F/G)	Relevant amount (ie Band D equivalent) (H+Q+J)x(F/G) (rounded to 1 decimal place)
A*		97	26	0	0	-6.5	0	5/9	50.3
A	55224	52481	26342	1079	64	-6725.4	119.25	6/9	30583.2
B	20160	19441	7198	274	15	-1834.4	172.5	7/9	13828.2
C	15805	15293	4692	189	21	-1202.4	136.5	8/9	12646.3
D	8142	7953	1825	74	11	-469.15	70.5	9/9	7554.4
E	4155	4086	621	30	7	-161.75	26	11/9	4828.1
F	2180	2162	261	24	34	-84.65	9.2	13/9	3013.9
G	621	591	65	9	34	-34.15	2.3	15/9	931.9
H	42	12	0	1	6	-3.1	0	18/9	17.8
Total	106329	102116	41030	1680	192	-10521.5	536.25		73454.1

A* signifies band A properties subject to disabled relief

TOTAL RELEVANT AMOUNT 73454.1

Council tax base after adjustment for non-collection = $73454.1 \times \frac{98.4}{100} = 72278.83$