



DERBY CITY COUNCIL

SCRUTINY MANAGEMENT COMMISSION 11 July 2006

Report of the Director of Corporate and Adult Social Services

Proposed review of Council Tax Income/Expenditure – Draft Background Report

RECOMMENDATION

1. That the Commission considers the background report and if members agree to proceed with the review that they agree on the objectives of the review and the methodology that will be adopted.

SUPPORTING INFORMATION

- 2.1 At the Commission's meeting on 20 June the Co-ordination Officer was asked to prepare a background report on the proposed review of Council Tax Income/Expenditure for consideration by the Commission at its meeting on 11 July
- 2.2 The background report is contained in Appendix 2 of this report.
- 2.3 If having considered the report, members agree to proceed with the review, it is suggested that the Commission should give careful consideration to defining the objectives of the review and on the methodology that will be used. Members may also wish to consider whether it would be best to appoint a working group to conduct the review or if all the Commission will be involved.

For more information contact: David Romaine 01332 255598 e-mail david.romaine@derby.gov.uk
Background papers: Appendix 1 – Implications
List of appendices: Appendix 2 - Proposed Review of Council Tax Income/Expenditure on a ward-by-ward basis – Draft Background Report

IMPLICATIONS

Financial

1. Any cost incurred by the review must be contained within the Commission's share of the Overview and Scrutiny research budget

Legal

2. None arising from this report.

Personnel

3. None arising from this report.

Equalities impact

4. Equalities impacts will be apparent if it is decided to proceed with the review

Corporate Objectives, Values and Priorities

5. This report has the potential to link with all the Council's priorities.

SMC CTax bg

Scrutiny Management Commission**Proposed Review of Council Tax Income/Expenditure
on a ward-by ward basis – Background Report****1. Introduction**

At its meeting on 1 November 2005 Scrutiny Management Commission (SMC) members expressed an interest in conducting a review that would compare the Council's income from Council Tax in each of the City's Wards with the Council Tax expenditure in each of the Wards. The Co-ordination Officer was asked to prepare a report setting out the scope of such a review and this report was considered at the Commission's meeting on 13 December 2005.

No specific objectives for the proposed review were identified by the Commission when the matter was discussed at the meeting on 1 November 2005 so for the purposes of the scoping report the following working objectives were proposed:

1. To quantify and categorise the City Council's income from Council Tax for a selected financial year.
2. To conduct a geographical comparison of the distribution of Council Tax on a ward-by-ward basis
3. To identify inequalities in service provision and unmet service needs whilst having regard to enhanced service demands occasioned by social deprivation and other relevant factors.
4. To complete the review within a timescale that ensures the findings of the review are relevant to the work of the Council
5. To make any appropriate recommendations based on the findings of the review

At the meeting on 13 December 2005 the SMC was told that due to the forthcoming work commitments of the Resources Directorate and the Co-ordination Officers, it would not be possible to start the review before April 2006. The Commission therefore suggested that this topic might be reviewed by the SMC in 2006/07 and a small working group was appointed to carry out the preliminary work.

On 26 April 2006, the working group met with the Assistant Director (Corporate Finance) and the Co-ordination Officer to discuss the ways in which the review might be taken forward. At that meeting the working group agreed that it would be best to take a phased approach to the review and that the first phase should bring together:

- The information on Council Tax income from the wards – including the number per ward of Council Tax payers and the number receiving benefit.
- The population of each of the wards
- The number of residents registered to vote in each of the wards

The working group suggested that thereafter the review might examine issues such as:

- The repair and maintenance of roads and pavements
- Public Library provision and use
- Pre-school provision
- Spending on young people
- Street care provision

The working group asked for scoping reports on each of these areas to be provided to SMC but did not give any specific timescale for them and nor did it define any further or more detailed objectives for the review.

The outcomes of the working group's meeting on 26 April 2006 were discussed at the SMC meeting on 20 June 2006 and the Commission was informed that the background report requested by the working group could be provided to the Commission meeting on 11 July. This report contains the background information requested by the working group.

2. Sources of the information contained in the background report

The background report is almost entirely based on the information that has been provided to the Co-ordination Officer by the Resources Directorate.

Appendix 1 of this report contains a Background Data Analysis that was received from the Assistant Director Corporate Finance after the bulk of the report had been completed.

In addition to the information provided by the Resources Directorate information has also been obtained from the reports to the Council Cabinet meetings on 22 February 2005 and 1 March 2006 on Council Tax Setting. Information on the Electoral Register was obtained from the Electoral Services Team in Democratic Services.

3. Presentation of the information

The background information requested by the working group has been presented for each ward and comprises:

- Population of the ward – this is based on Census data and is an estimate for mid 2006.
- Number of Council Tax properties per ward
- Percentage of the ward population who are on the Electoral Register

- Percentage of the ward population receiving Council Tax benefit
- The 2005/06 Council Tax income from the ward – this figure was used because it was thought it would provide a more appropriate comparison if the Commission looked at expenditure in the wards in 2005/06
- The distribution within the Council Tax bands of the properties in the ward
- A comparison of 2005/06 Council Tax contribution per head of ward population and per CT property

In addition to the ward information, three additional figures have been provided. For all the wards these compare:

- The number of properties in the Council Tax A band
- The percentage of the ward population who are on the Electoral Register with the percentage of the ward population in receipt of Council Tax benefit
- The average 2005/06 Council Tax contribution per head of ward population with the average 2005/06 Council Tax contribution per Council Tax property.

4. Interpretation of the Information

The information contained in this report is provided as background information to the proposed review. With the exceptions of figures 1, 2 and 3 on pages 57 58 and 59, no attempt has been made to analyse the data as it has been assumed that the Commission will wish to do this if members decide to proceed with the review.

DRR 27 June 2006.

Abbey Ward

Population 13277

Number of CT Properties 6268

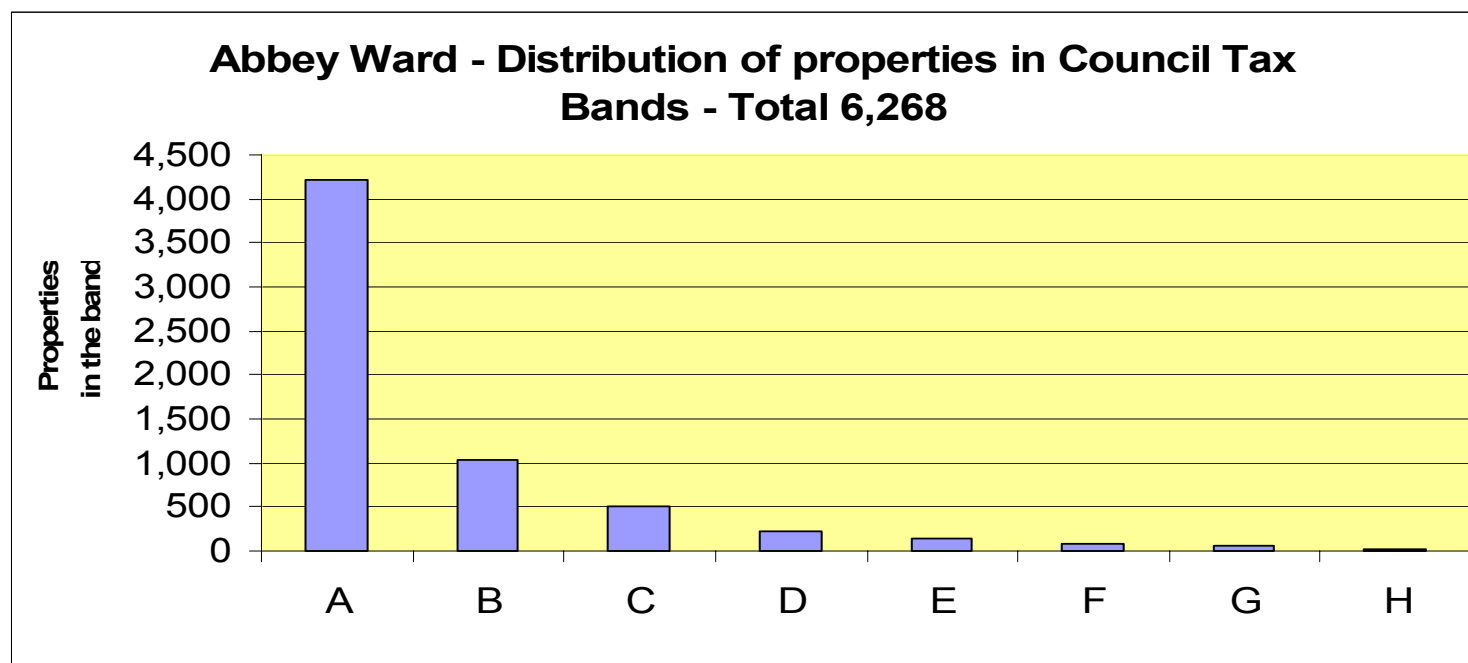
% of Population who are on Electoral Register 64.8

% of Population receiving CT Benefit 9.93

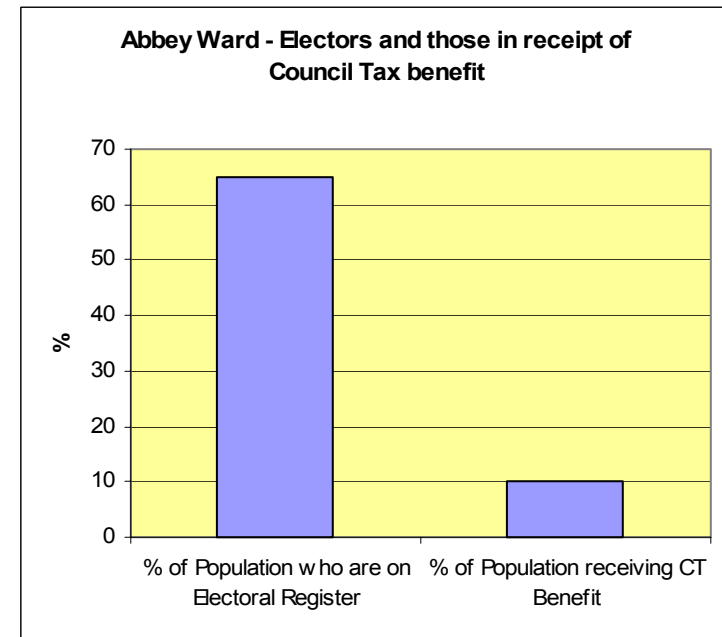
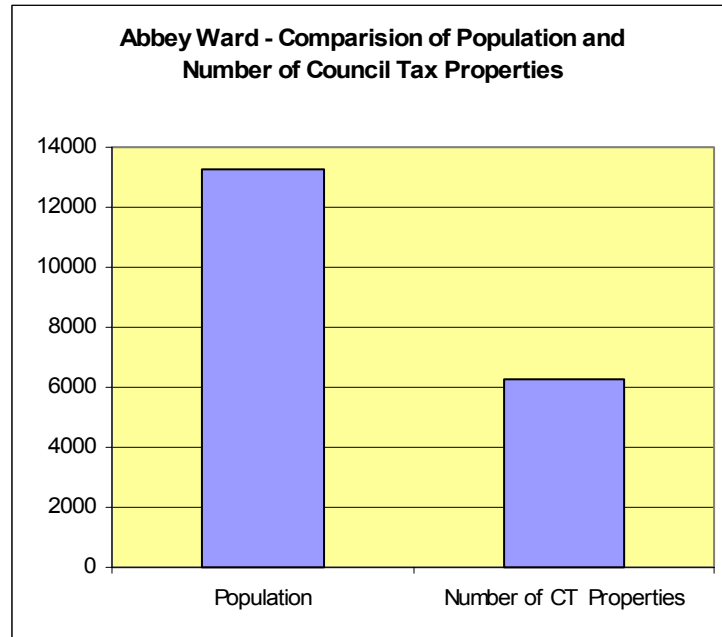
CT income from Ward
2005/06 £3,628,603

Properties in Council Tax bands

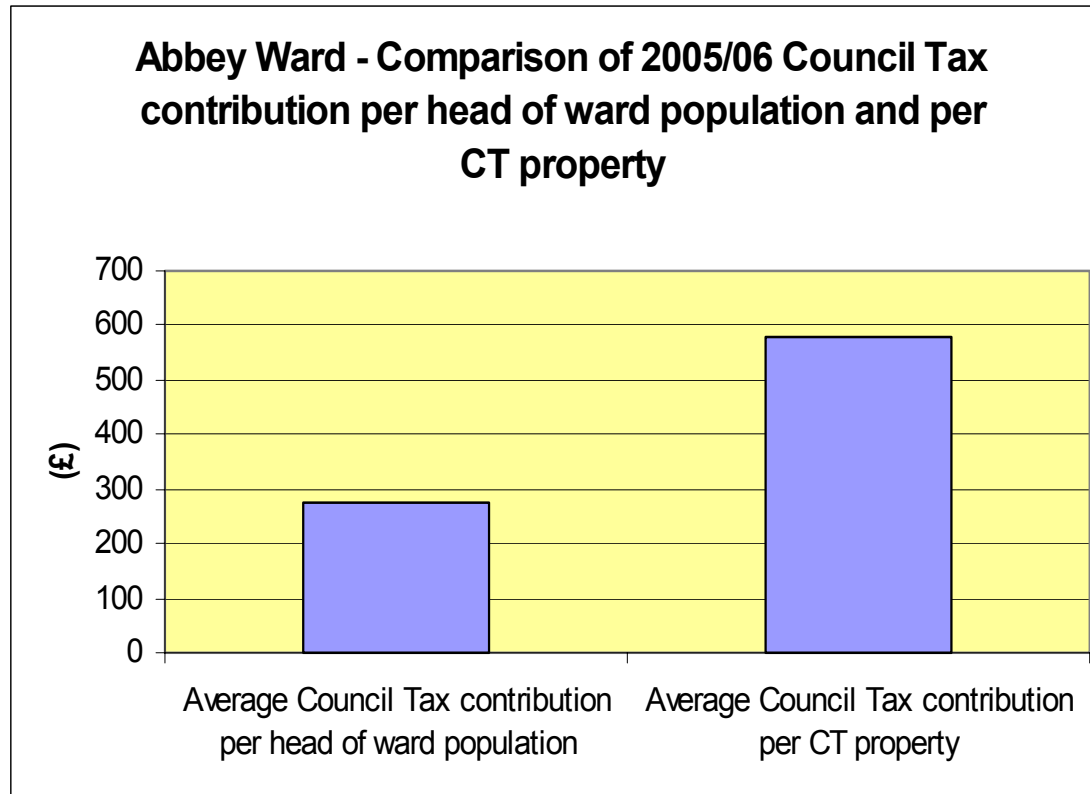
A	B	C	D	E	F	G	H	Totals
4,216	1,028	498	228	150	82	54	12	6,268



Abbey Ward



Abbey Ward

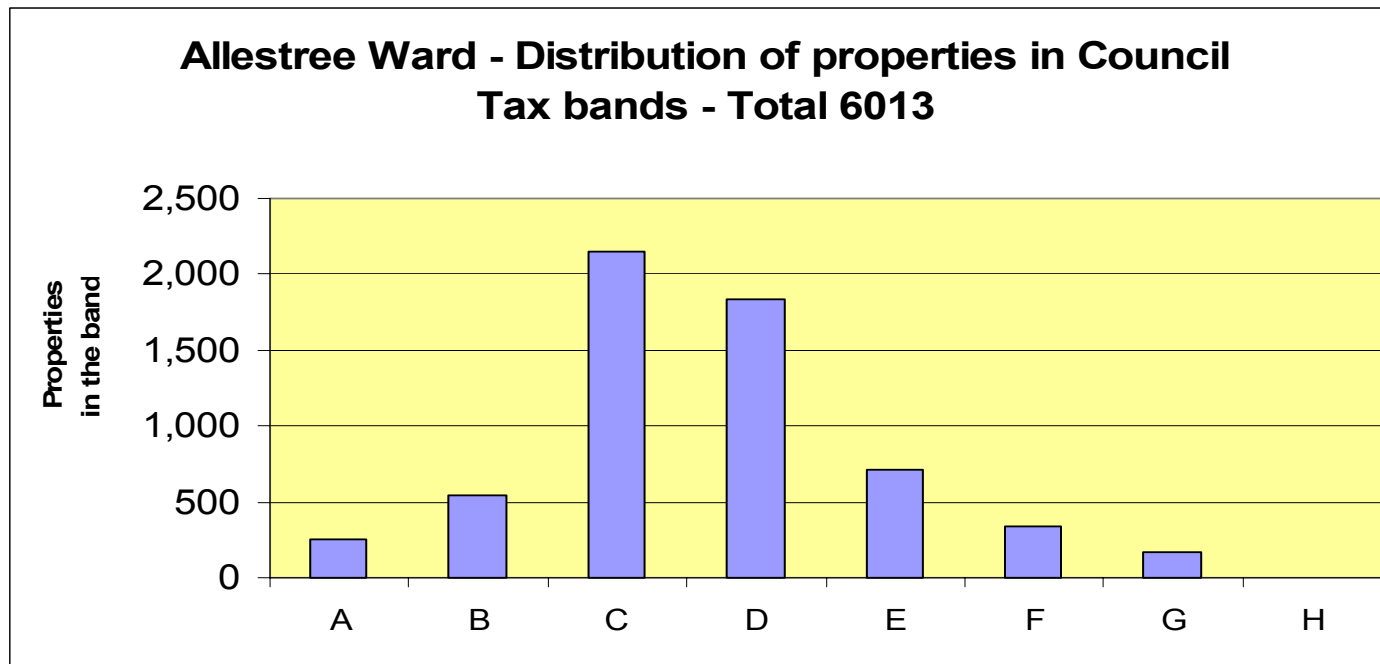


Allestree Ward

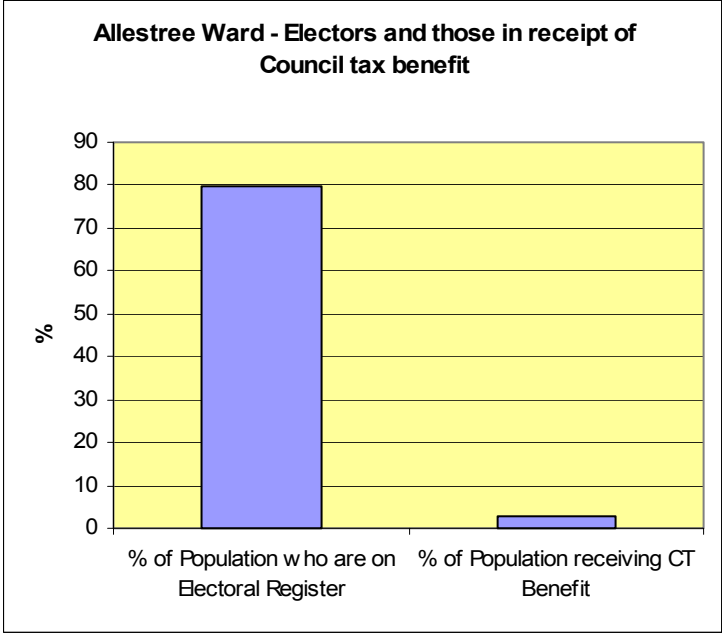
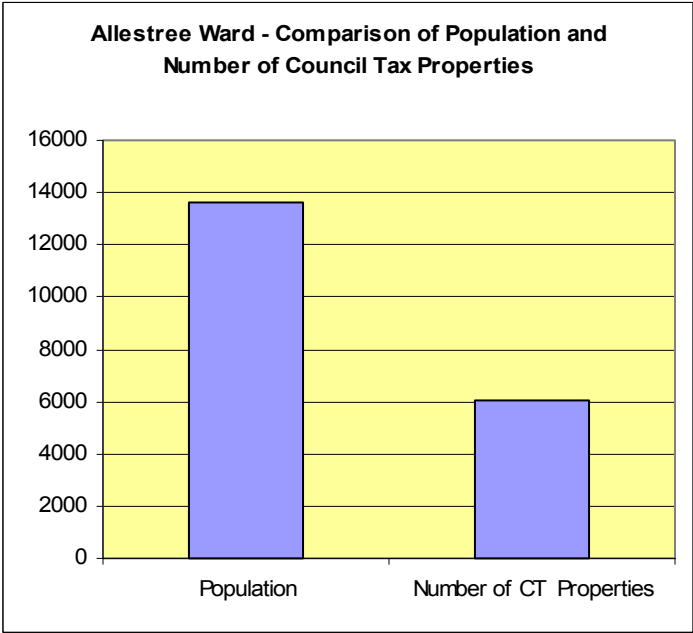
Population	13606
Number of CT Properties	6013
% of Population who are on Electoral Register	79.75
% of Population receiving CT Benefit	2.74
CT income from Ward 2005/06	£5,148,993

Properties in Council Tax bands

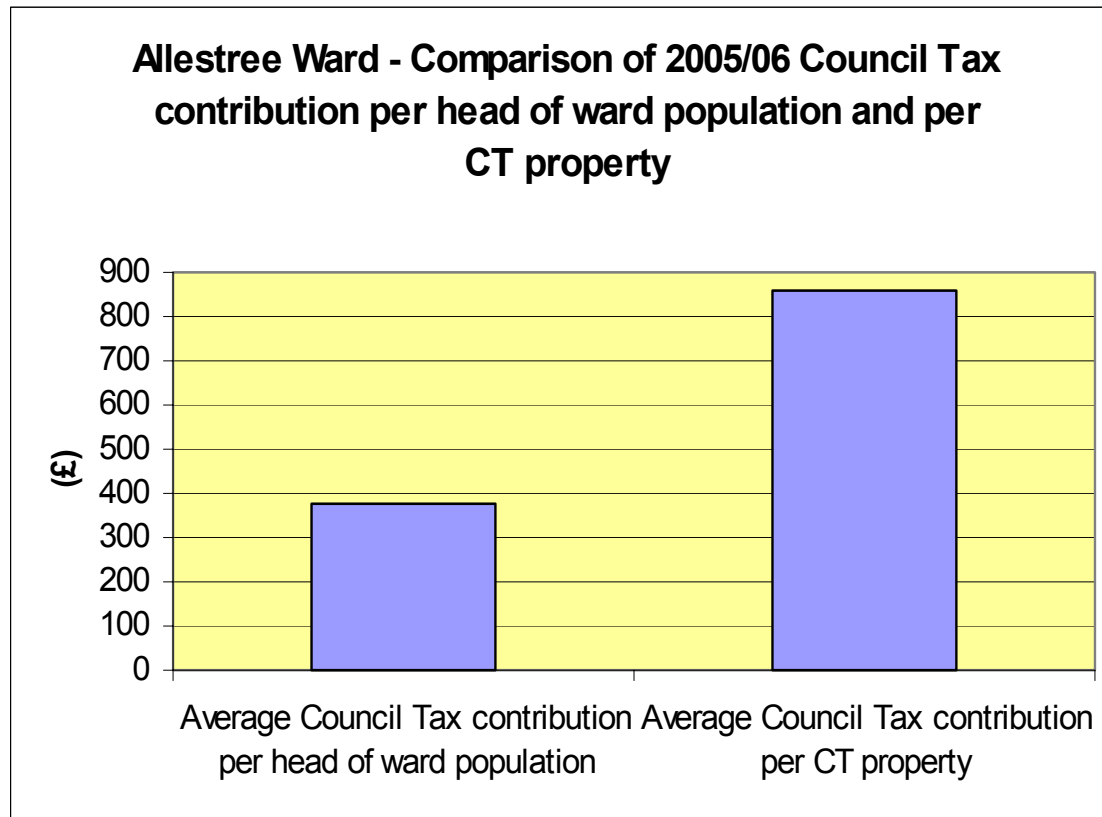
A	B	C	D	E	F	G	H	Totals
257	543	2,148	1,841	715	340	169	0	6,013



Allestree Ward



Allestree Ward



Alvaston Ward

Population 14292

Number of CT Properties 7085

% of Population who are on Electoral Register 74.5

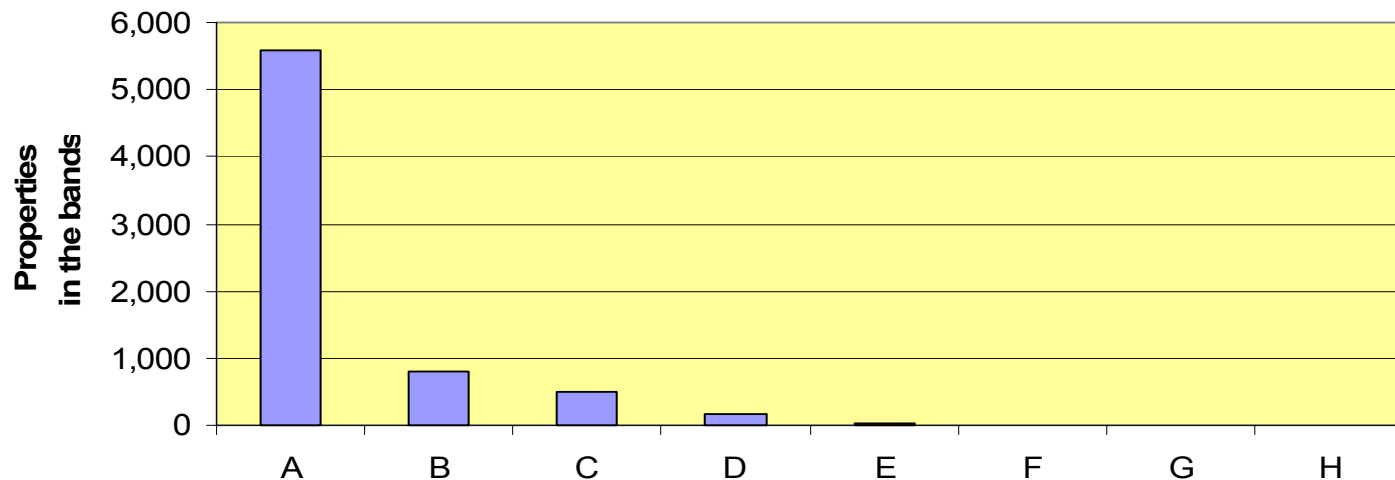
% of Population receiving CT Benefit 12.06

CT income from Ward 2005/06 £4,080,114

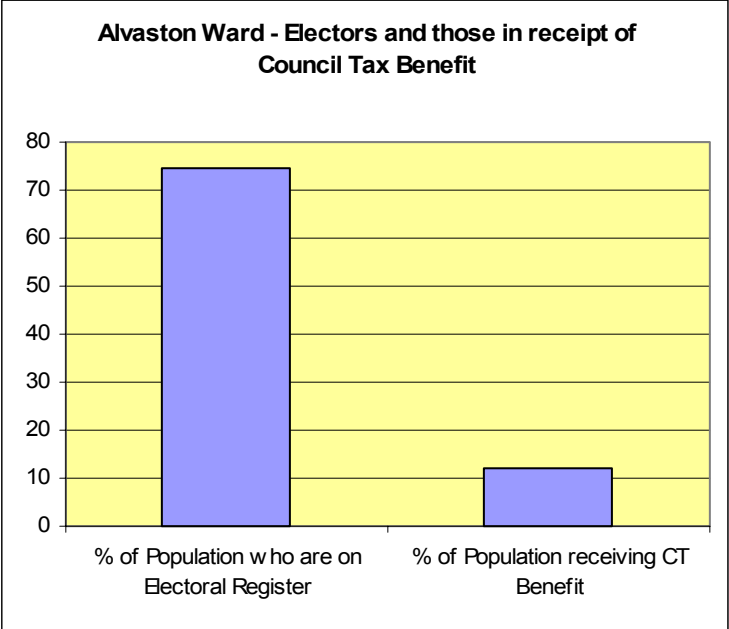
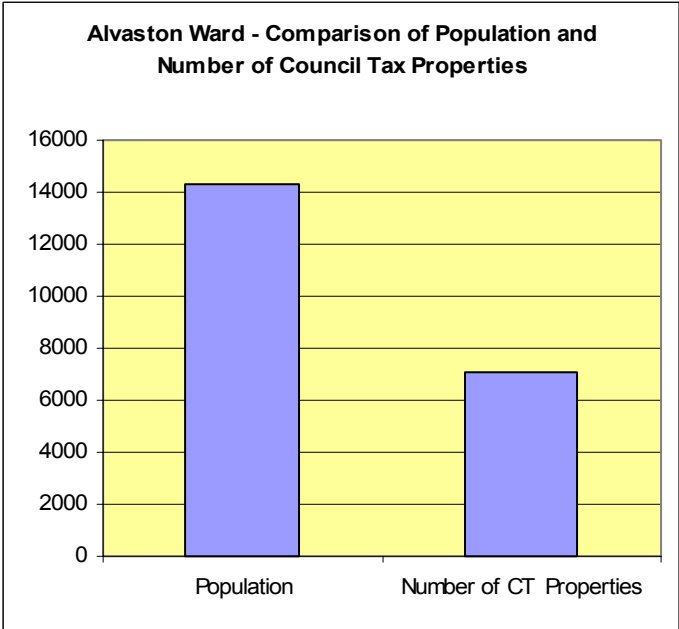
Properties in Council Tax bands

A	B	C	D	E	F	G	H	Totals
5,588	796	485	179	30	3	3	1	7,085

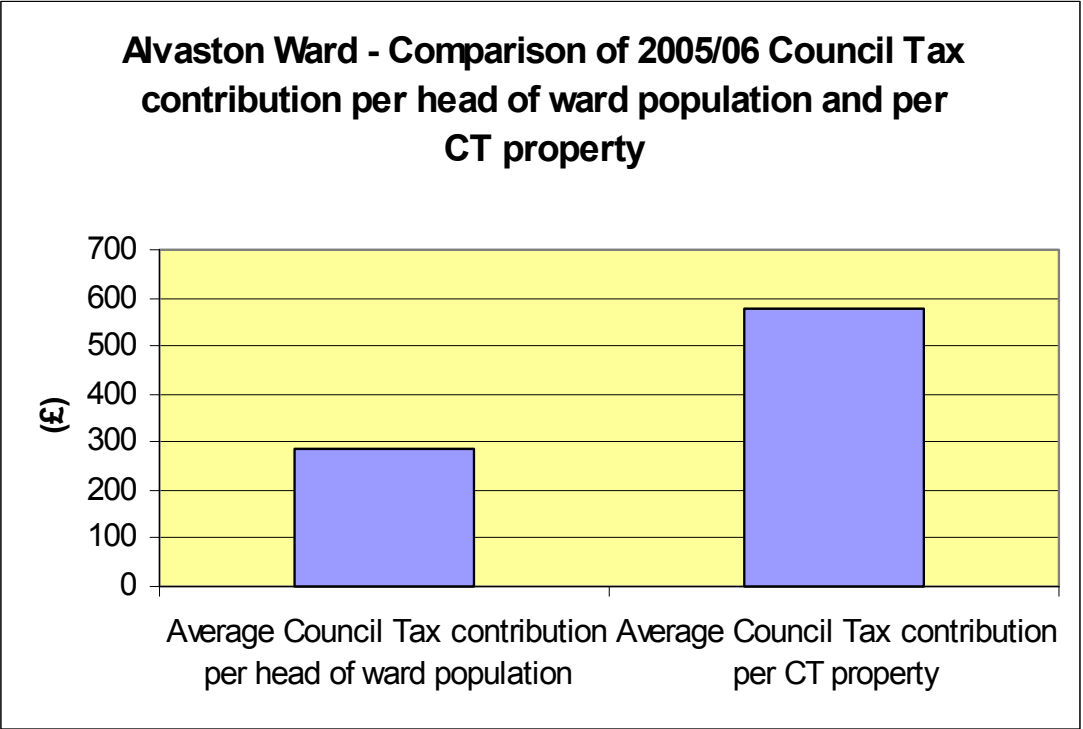
Alvaston Ward - Distribution of properties in Council Tax bands - Total 7085



Alvaston Ward



Alvaston Ward



Arboretum Ward

Population 15848

Number of CT Properties 7296

% of Population who are on Electoral Register 61.42

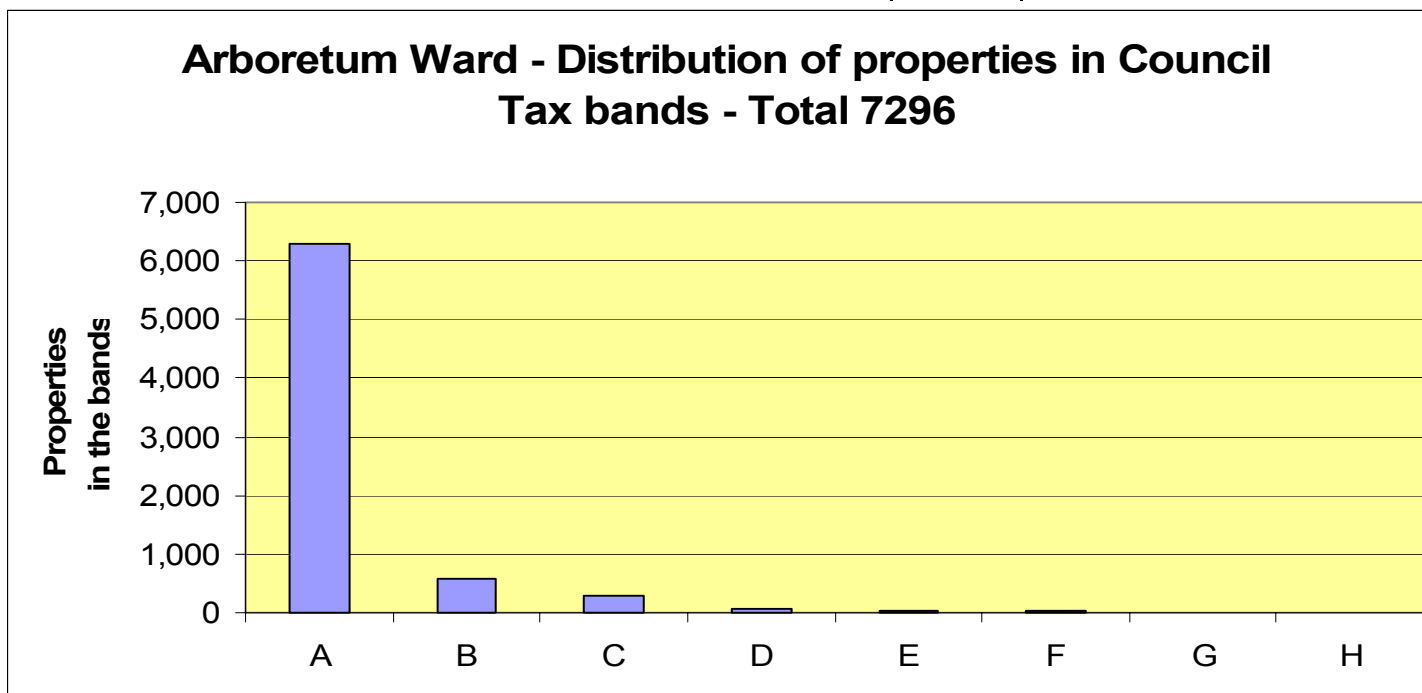
% of Population receiving CT Benefit 16.1

CT income from Ward 2005/06 £3,921,712

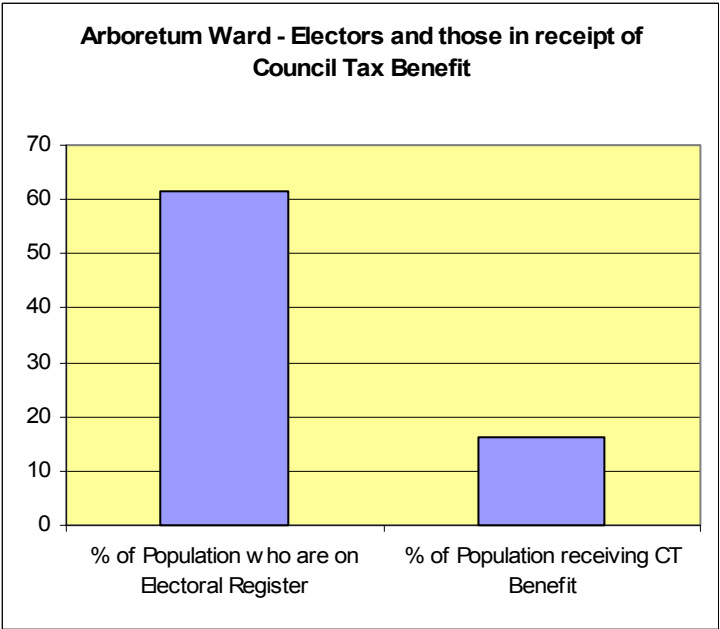
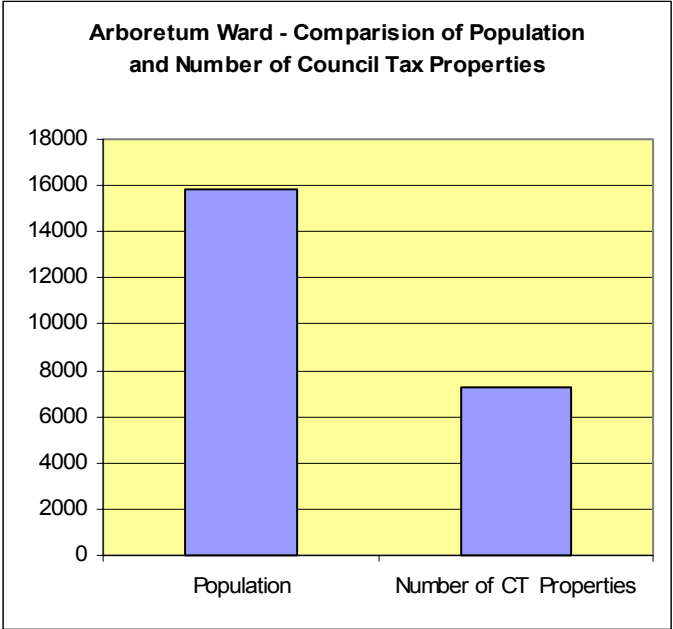
Properties in Council Tax bands

A	B	C	D	E	F	G	H	Totals
6,293	586	275	80	25	22	10	5	7,296

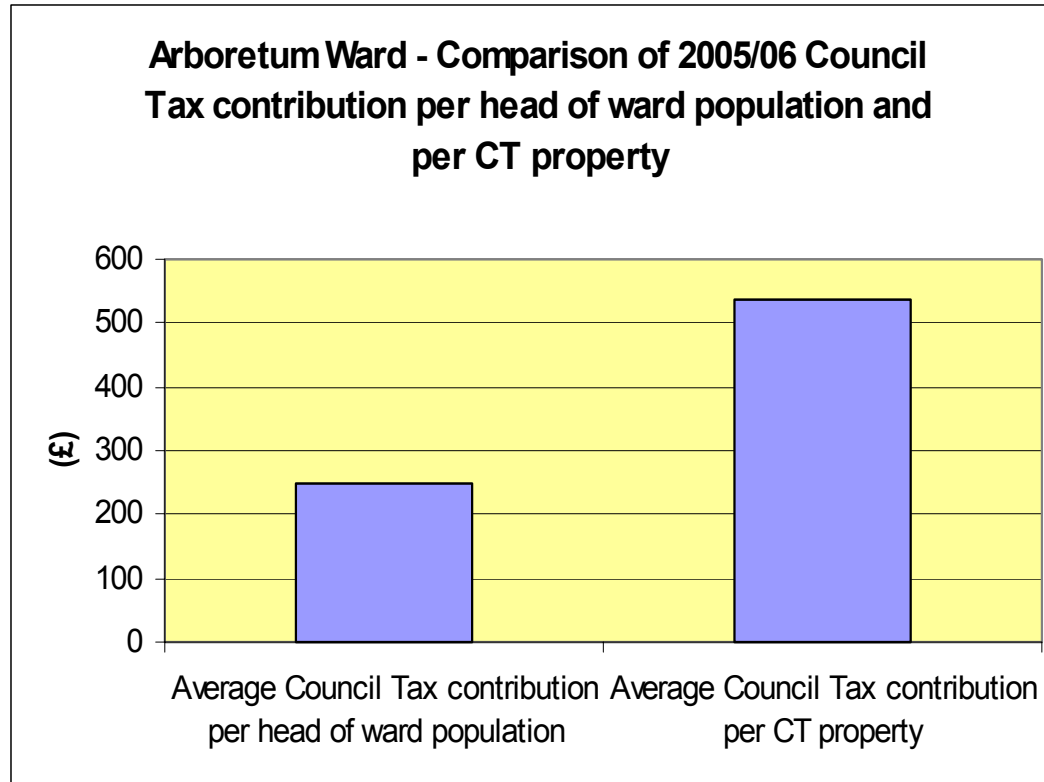
Arboretum Ward - Distribution of properties in Council Tax bands - Total 7296



Arboretum Ward



Arboretum Ward



Blagreaves Ward

Population 13237

Number of CT Properties 5256

% of Population who are on Electoral Register 72.59

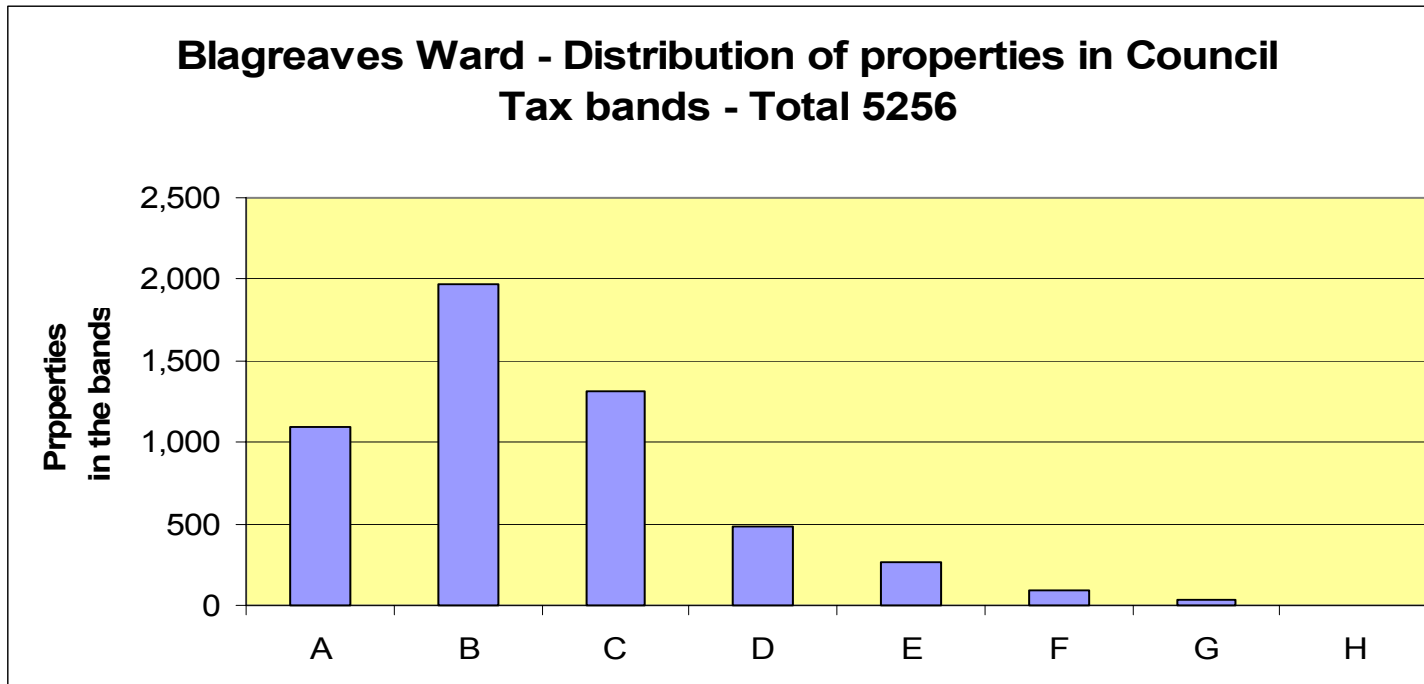
% of Population receiving CT Benefit 5.96

CT income from Ward 2005/06 £3,768,314

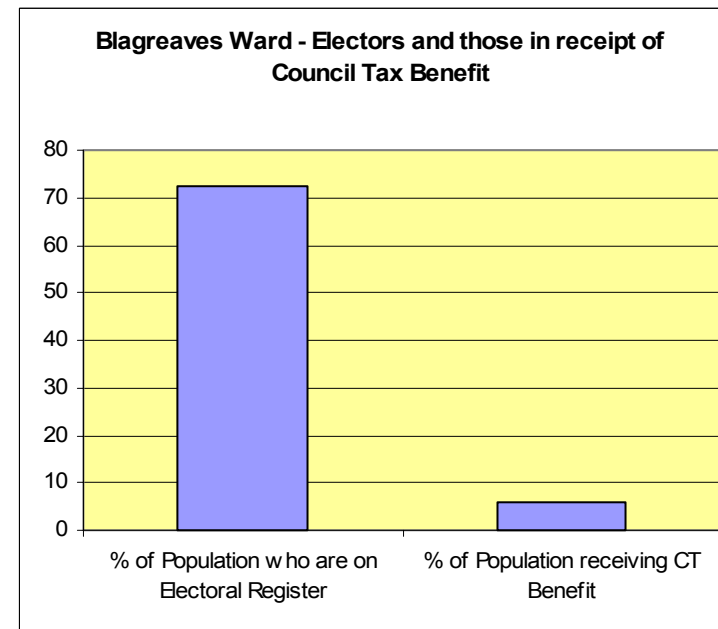
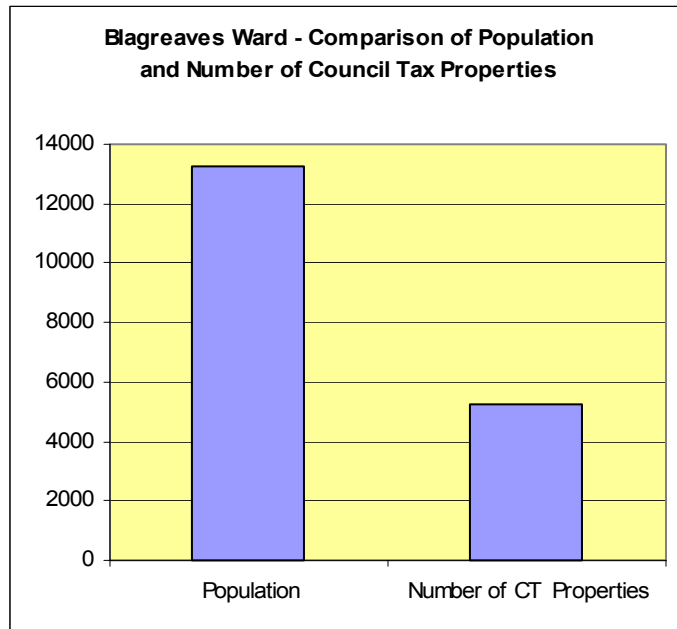
Properties in Council Tax bands

A	B	C	D	E	F	G	H	Totals
1,093	1,965	1,316	488	270	87	36	1	5,256

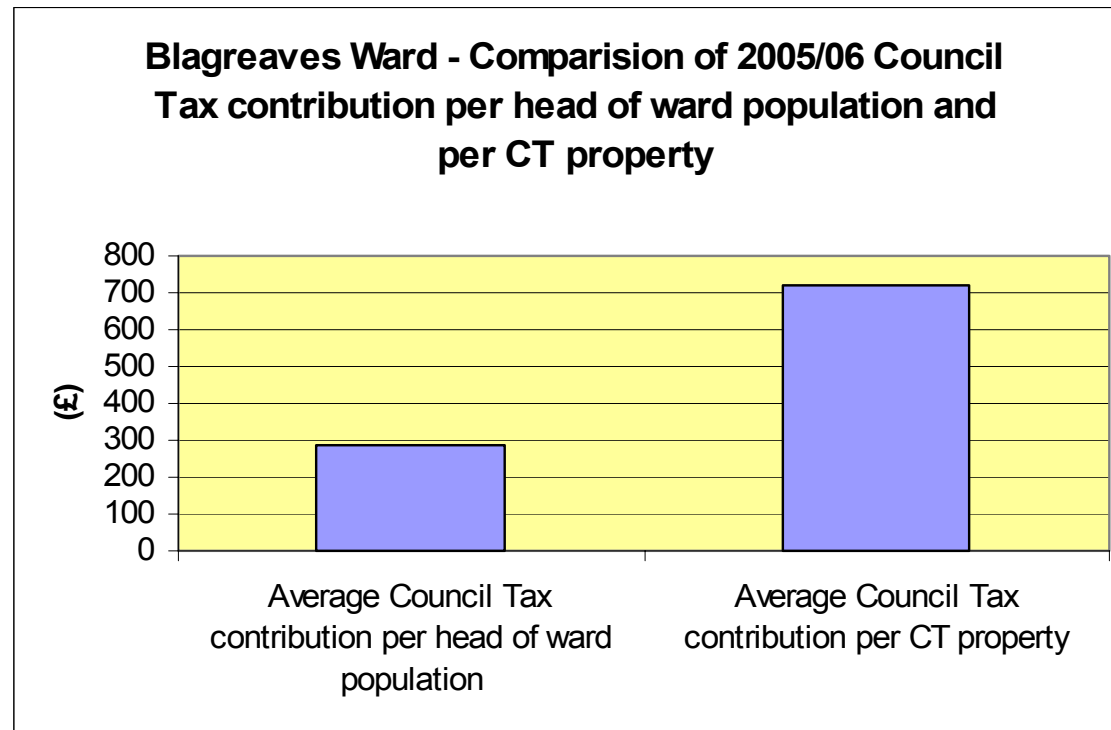
Blagreaves Ward - Distribution of properties in Council Tax bands - Total 5256



Blagreaves Ward



Blagreaves Ward



Boulton Ward

Population 14286

Number of CT Properties 6012

% of Population who are on Electoral Register 69.85

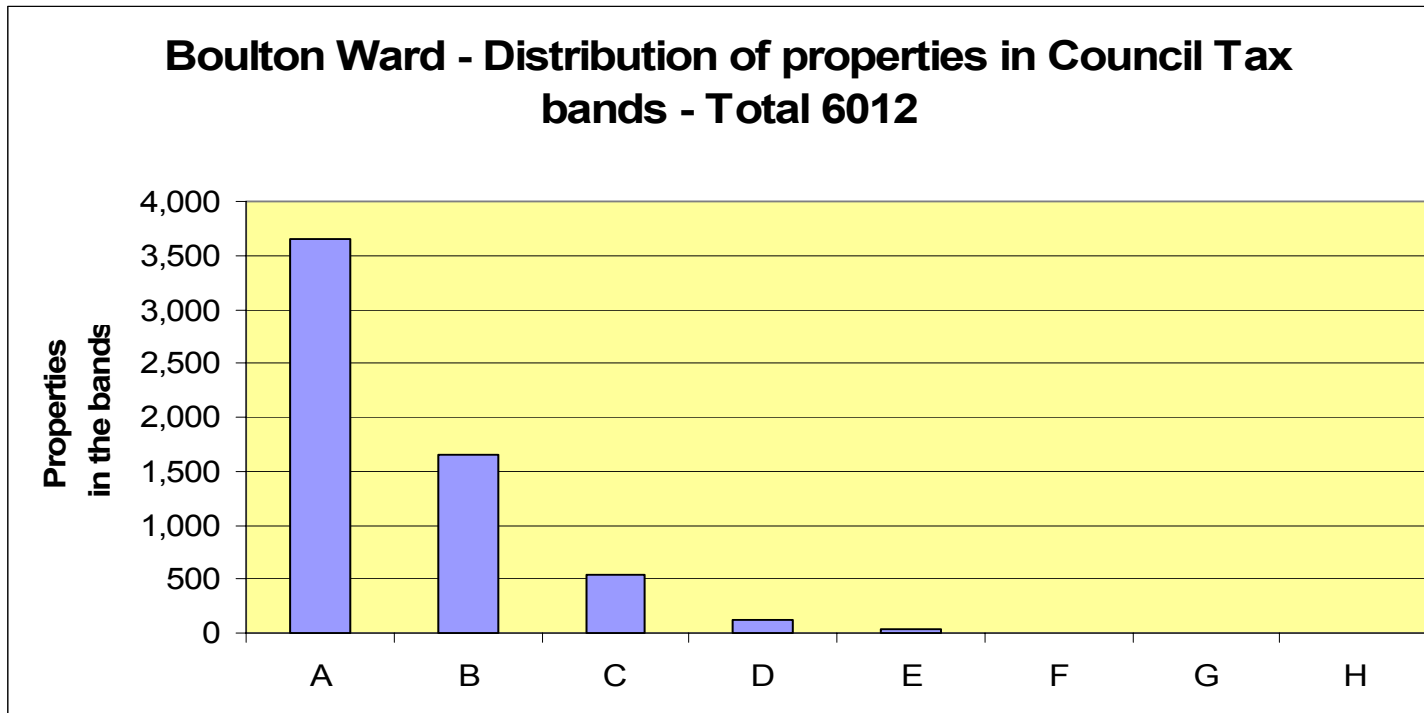
% of Population receiving CT Benefit 10.55

CT income from Ward 2005/06 £3,645,595

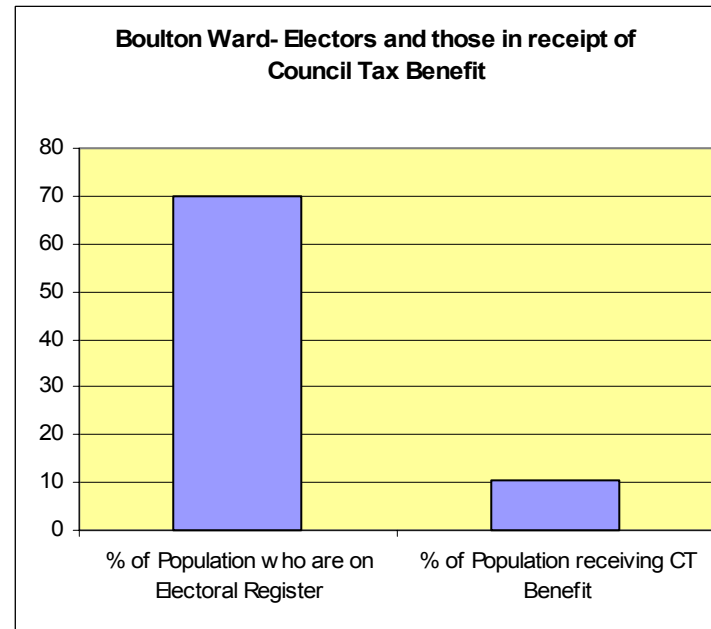
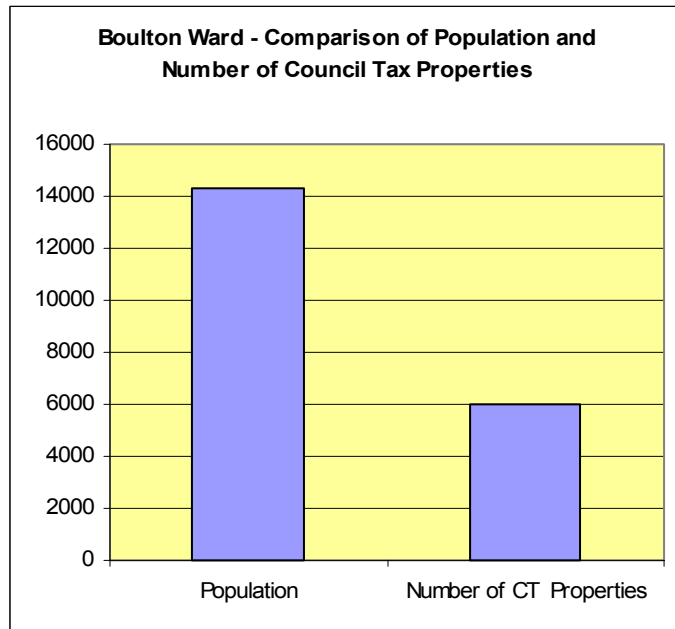
Properties in Council Tax bands

A	B	C	D	E	F	G	H	Totals
3,652	1,646	546	127	34	5	2	0	6,012

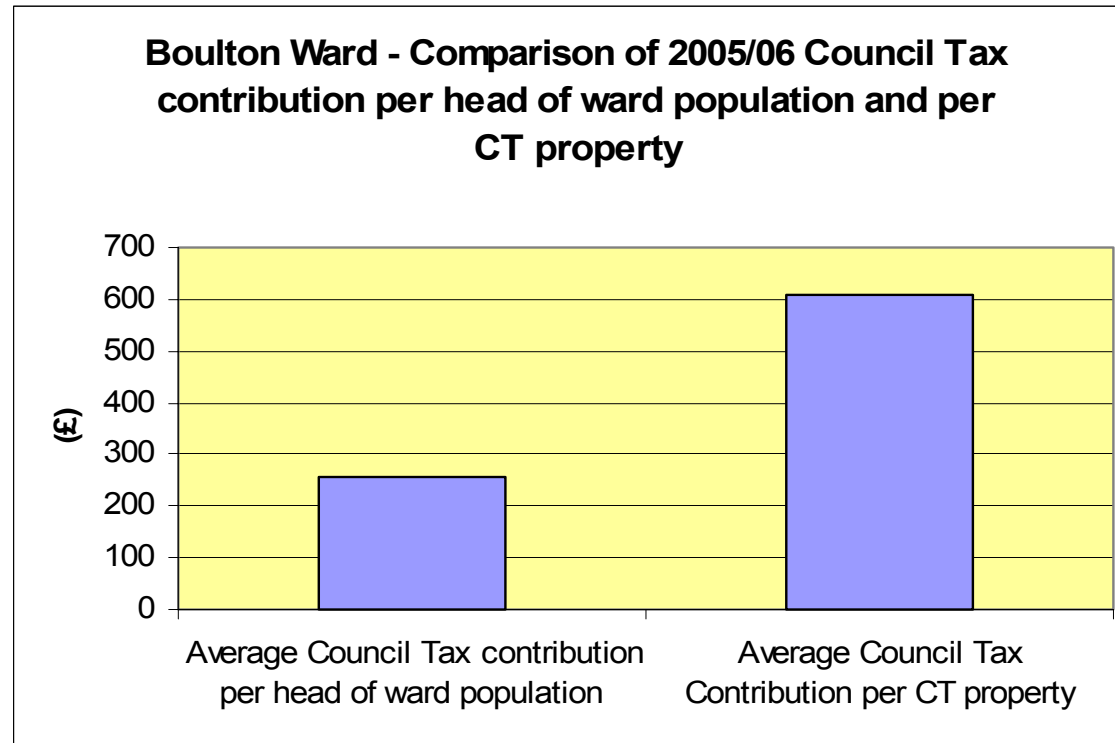
Boulton Ward - Distribution of properties in Council Tax bands - Total 6012



Boulton Ward



Boulton Ward



Chaddesden Ward

Population 13729

Number of CT Properties 5652

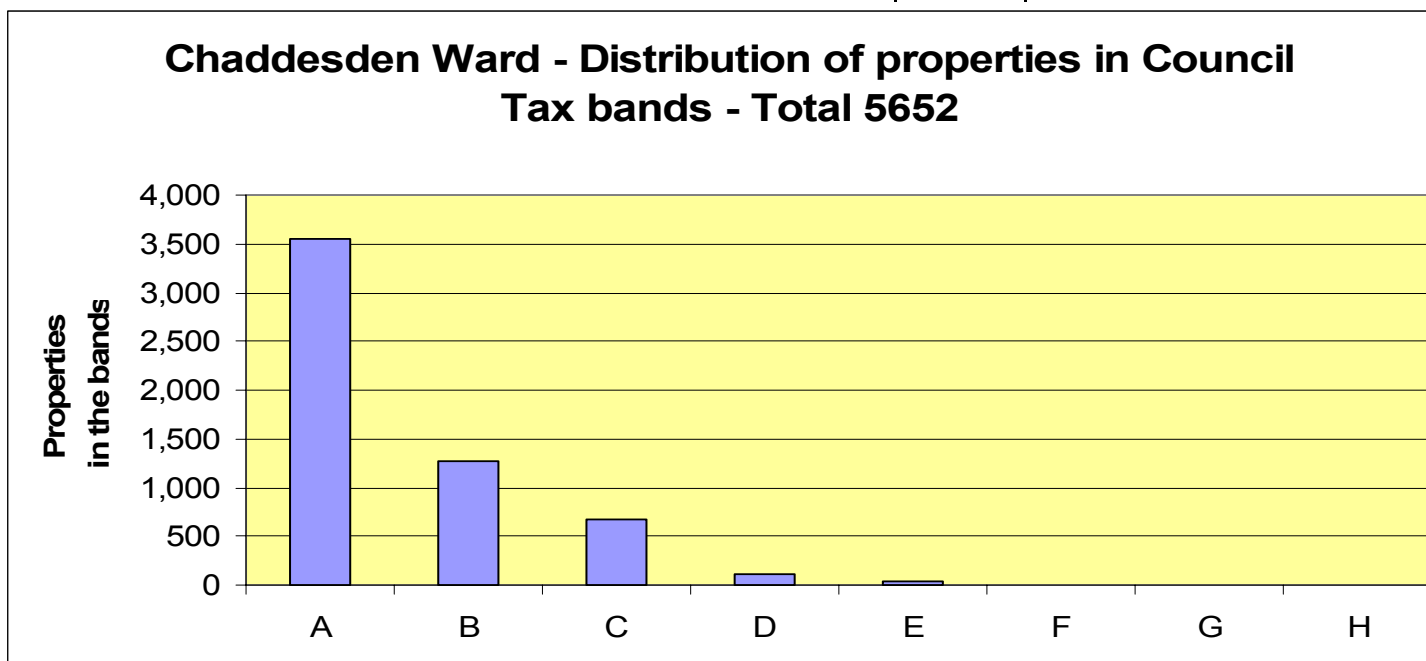
% of Population who are on Electoral Register 71.88

% of Population receiving CT Benefit 8.02

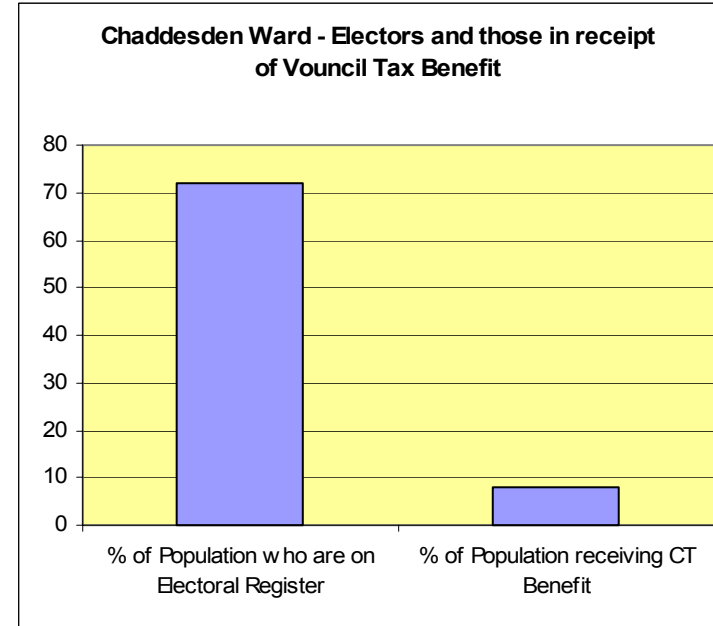
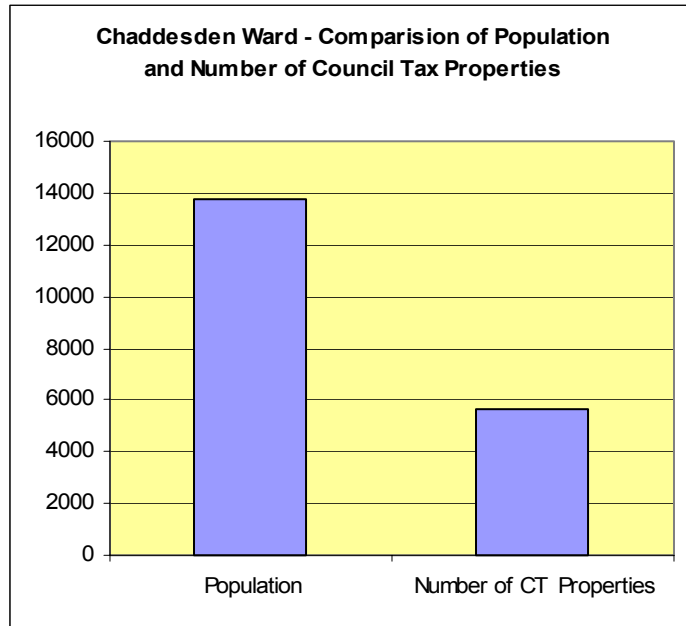
CT income from Ward 2005/06 £3,485,683

Properties in Council Tax bands

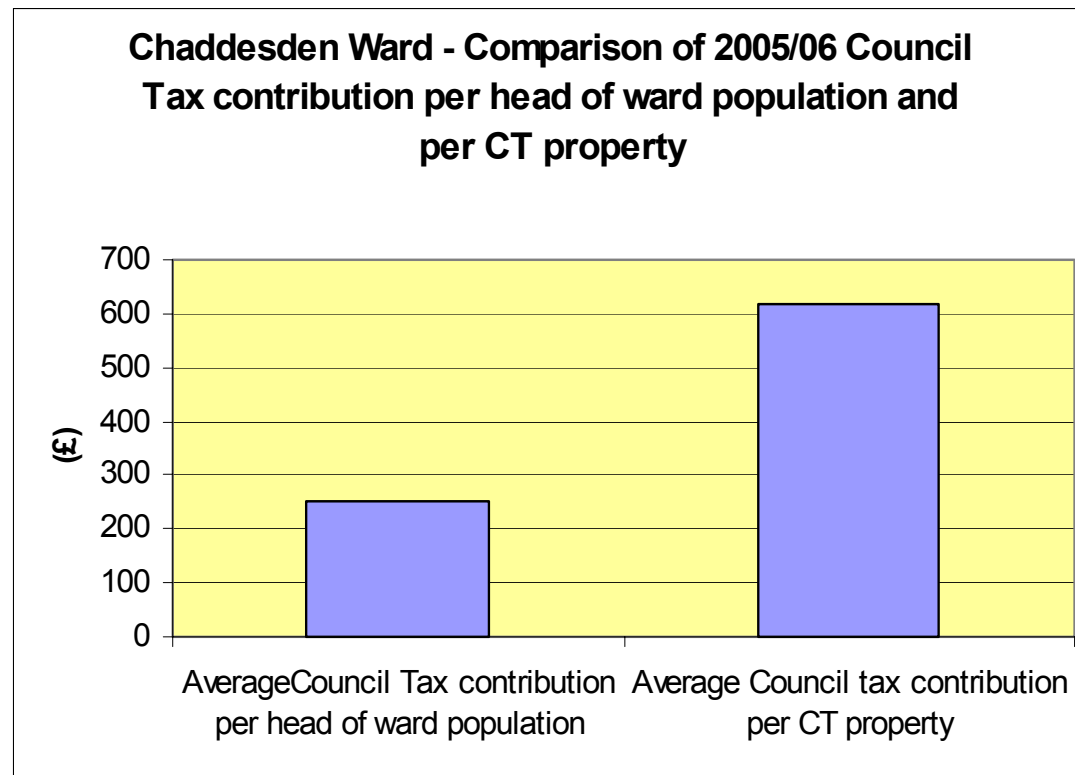
A	B	C	D	E	F	G	H	Totals
3,557	1,263	672	118	40	0	1	1	5,652



Chaddesden Ward



Chaddesden Ward



Chellaston Ward

Population 13130

Number of CT Properties 5867

% of Population who are on Electoral Register 77.57

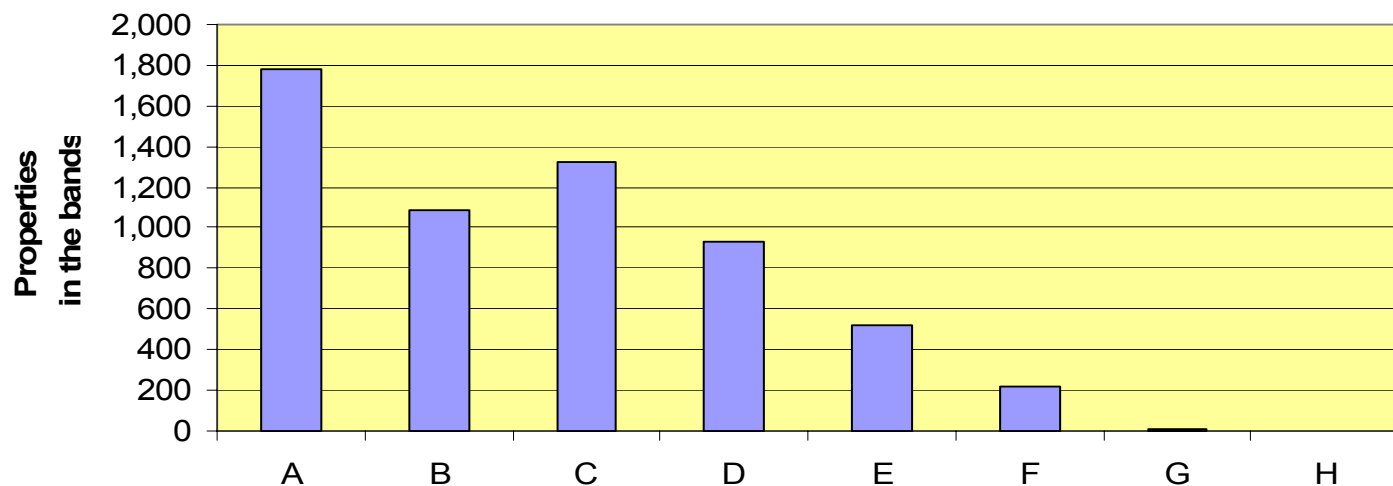
% of Population receiving CT Benefit 6.88

CT income from Ward 2005/06 £4,362,650

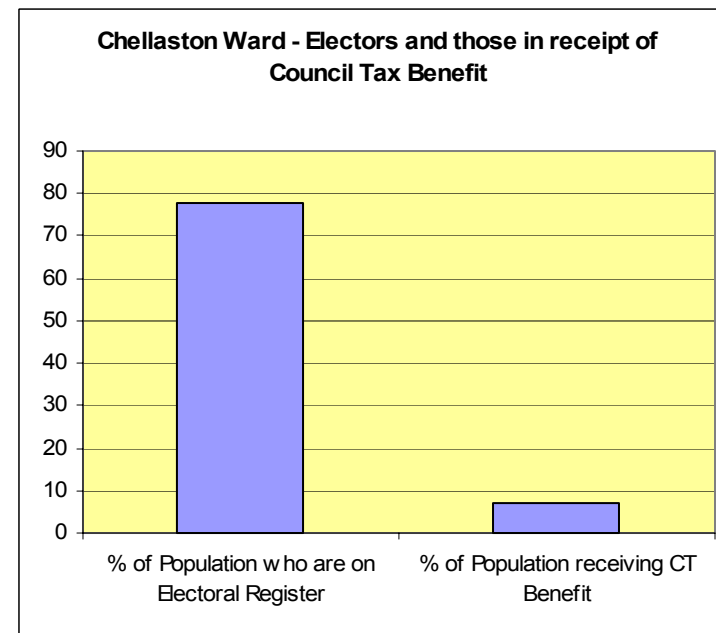
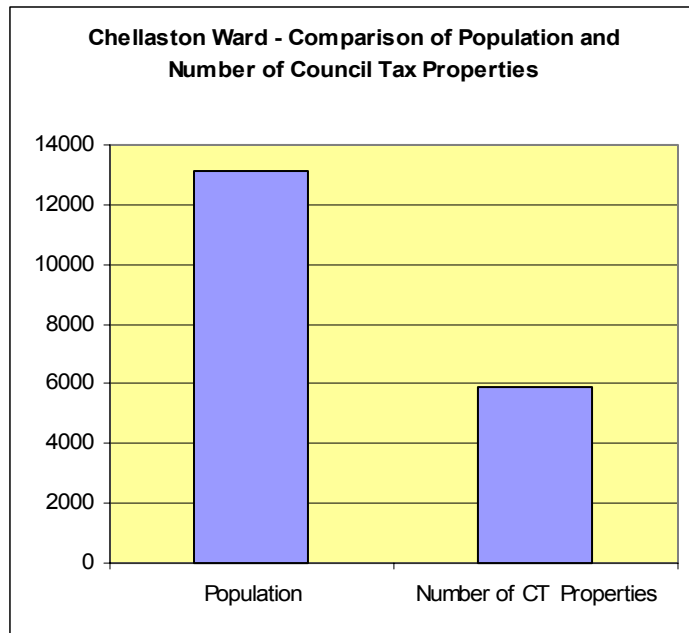
Properties in Council Tax bands

A	B	C	D	E	F	G	H	Totals
1,779	1,086	1,324	930	518	218	10	2	5,867

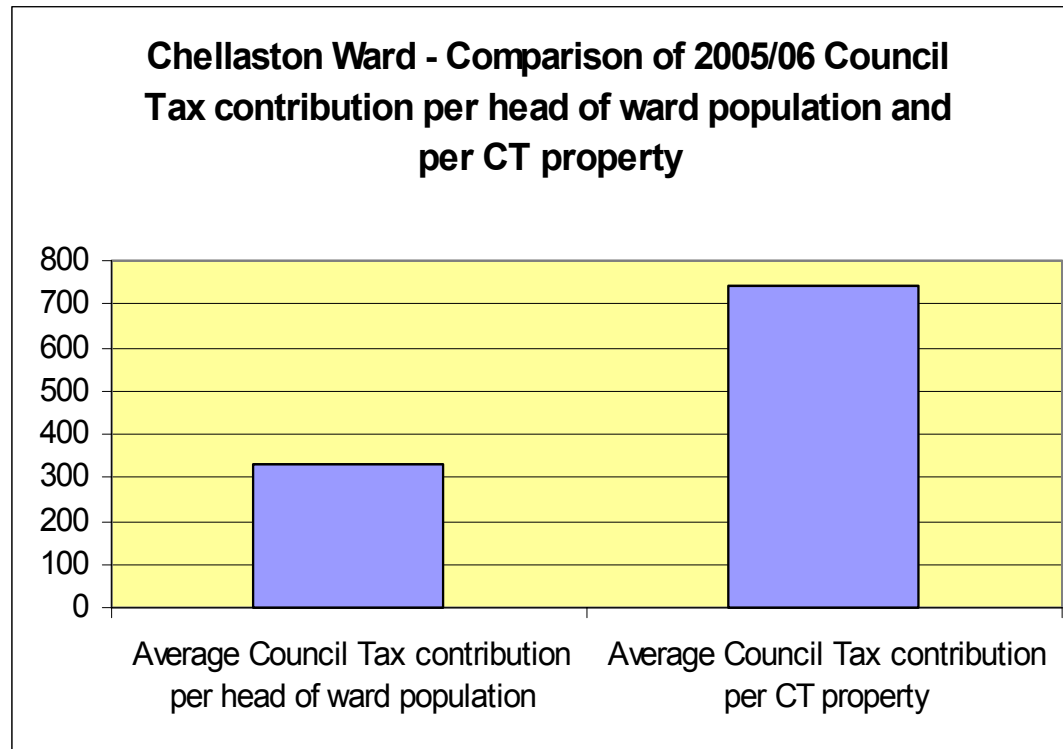
**Chellaston Ward - Distribution of properties in Council
Tax bands - Total 5867**



Chellaston Ward



Chellaston Ward



Darley Ward

Population 12758

Number of CT Properties 6196

% of Population who are on Electoral Register 72.84

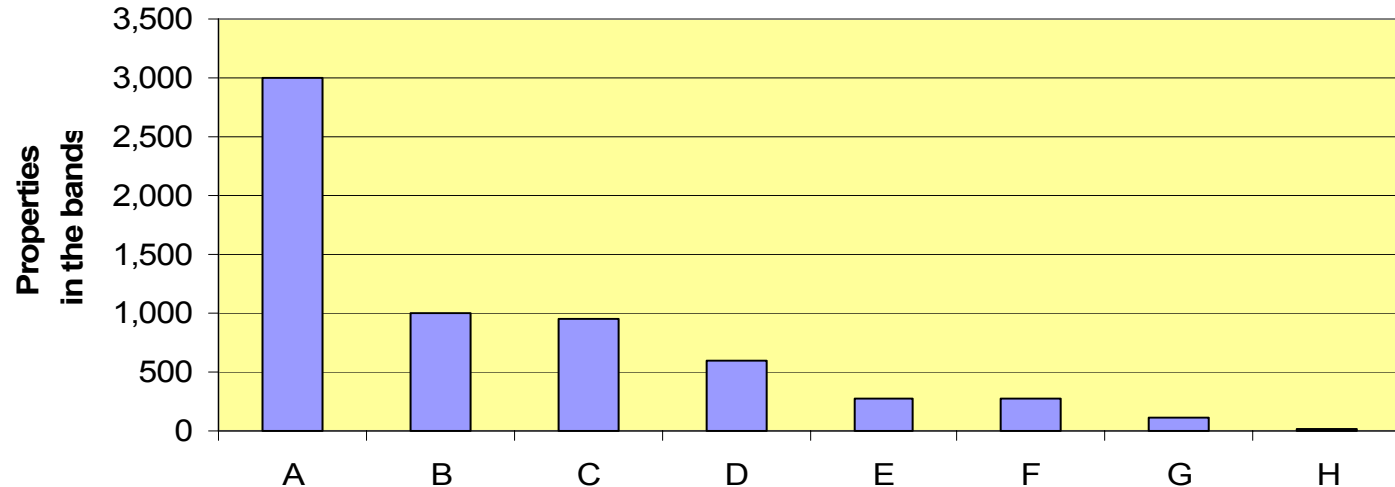
% of Population receiving CT Benefit 9.07

CT income from Ward 2005/06 £4,009,598

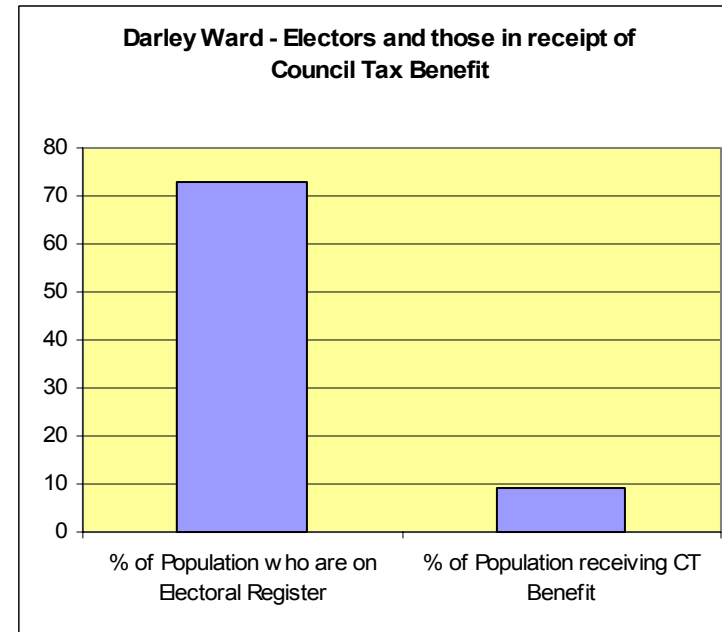
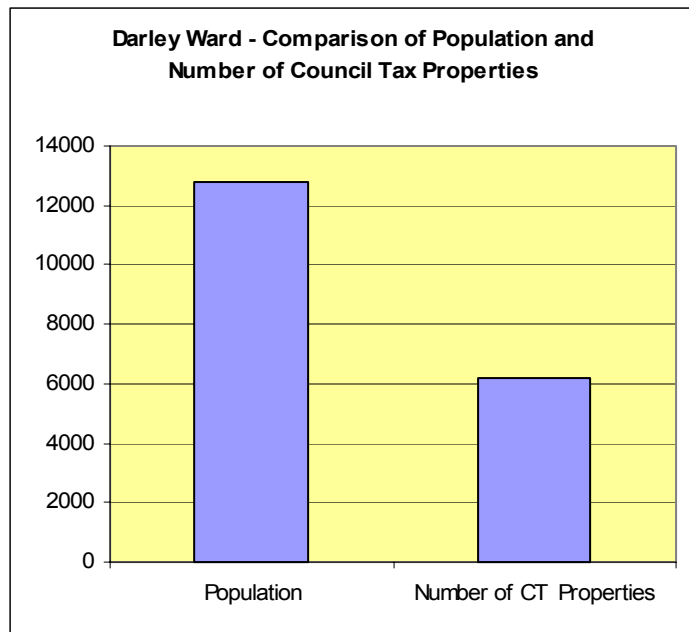
Properties in Council Tax bands

A	B	C	D	E	F	G	H	Totals
2,992	994	953	593	278	268	107	11	6,196

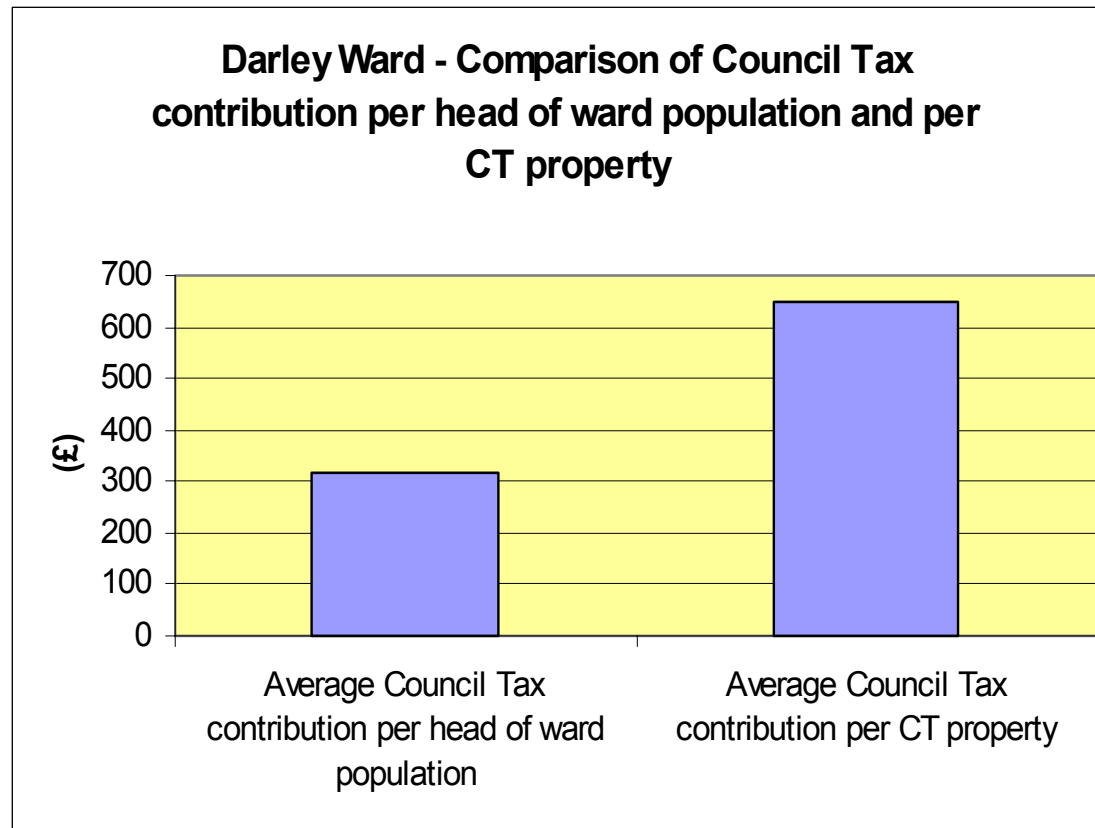
Darley Ward - Distribution of properties in Council Tax bands



Darley Ward



Darley Ward



Derwent Ward

Population 14236

Number of CT Properties 5940

% of Population who are on Electoral Register 68.22

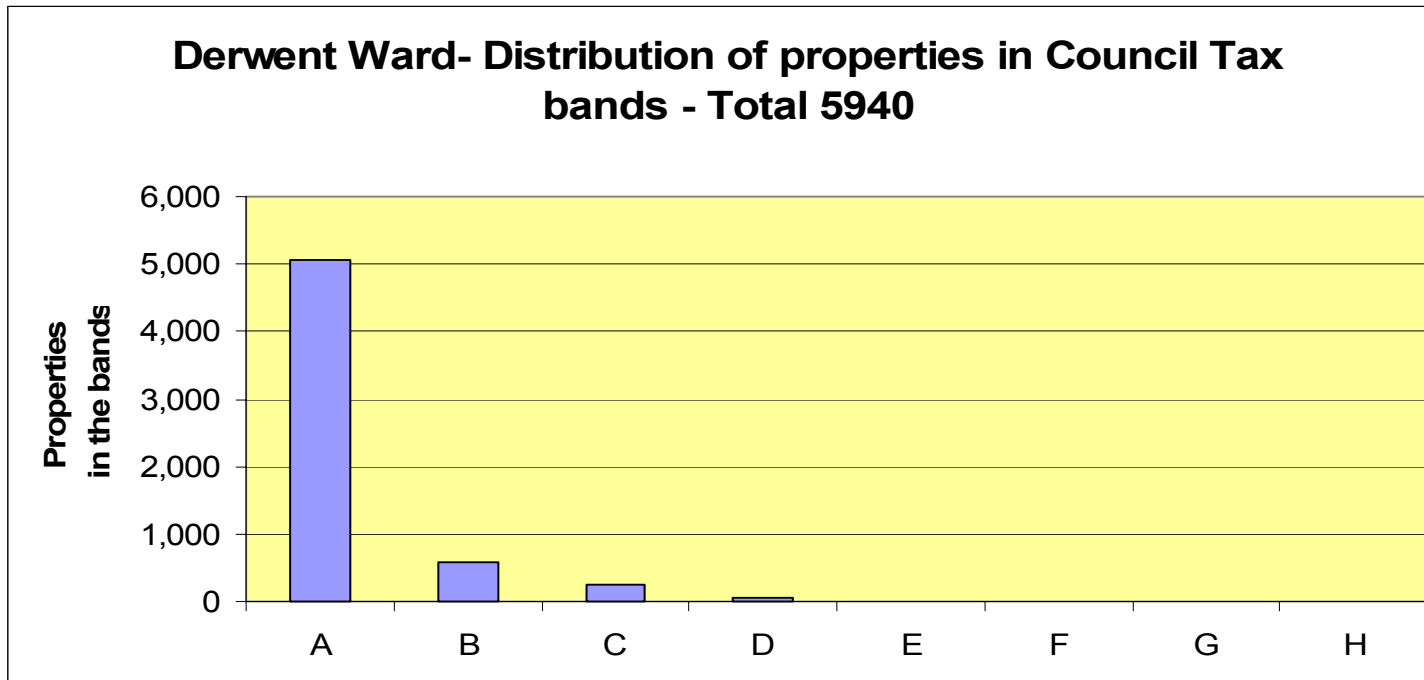
% of Population receiving CT Benefit 12.18

CT income from Ward 2005/06 £3,379,295

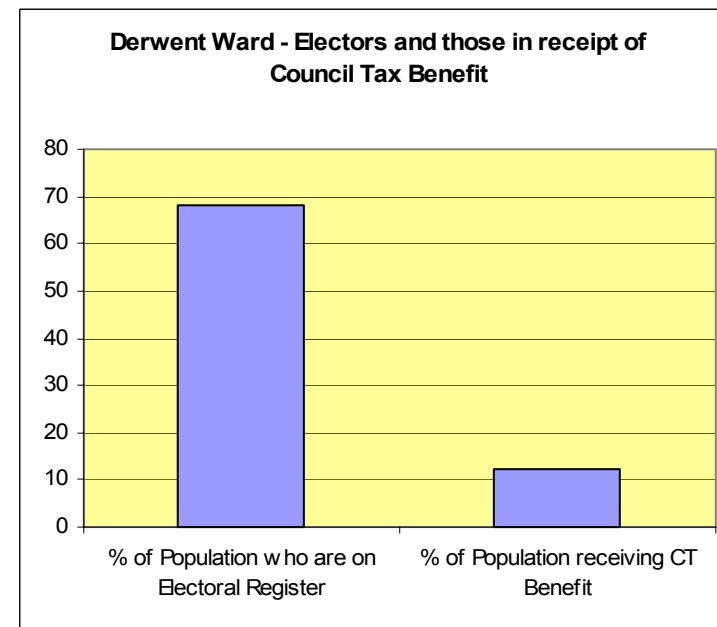
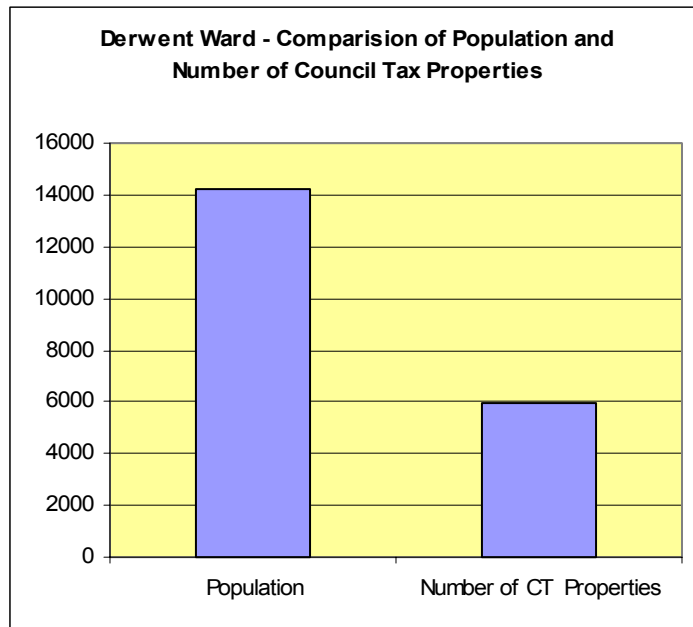
Properties in Council Tax bands

A	B	C	D	E	F	G	H	Totals
5,057	578	249	46	6	0	3	1	5,940

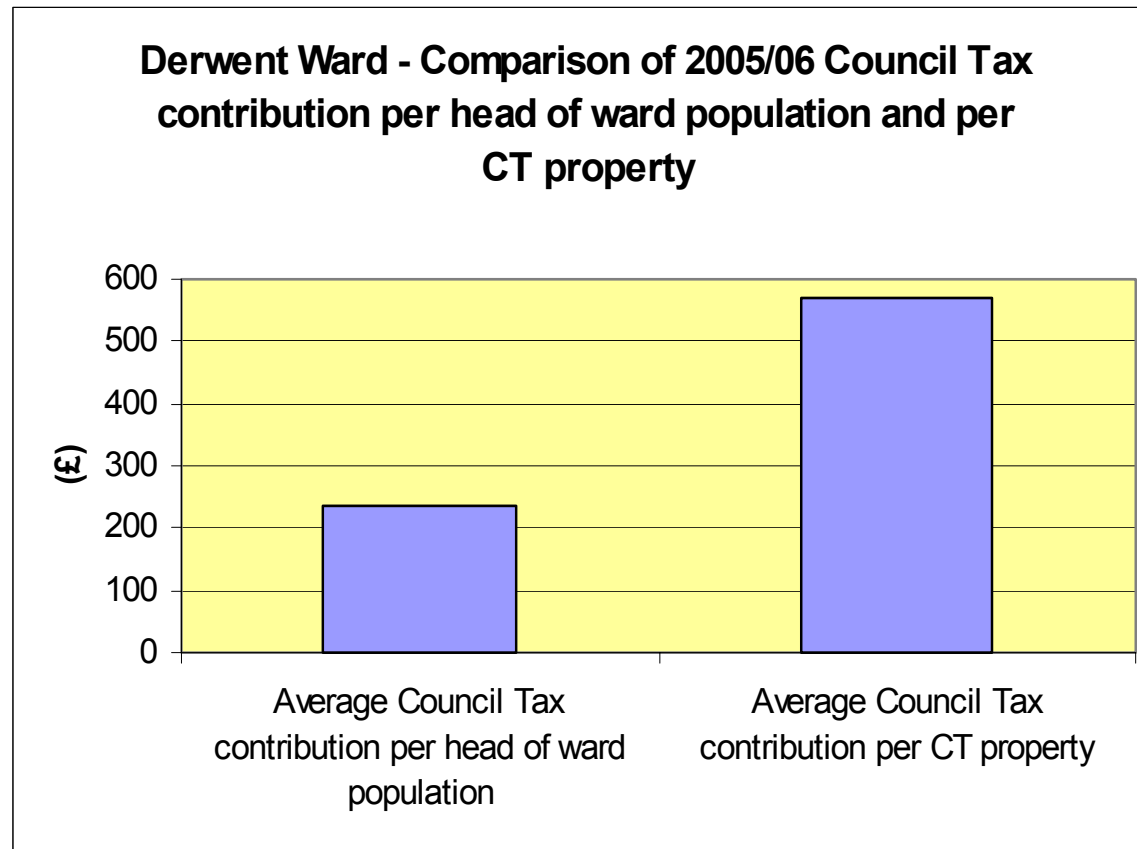
Derwent Ward- Distribution of properties in Council Tax bands - Total 5940



Derwent Ward



Derwent Ward



Littleover Ward

Population 12898

Number of CT Properties 5110

% of Population who are on Electoral Register 76.07

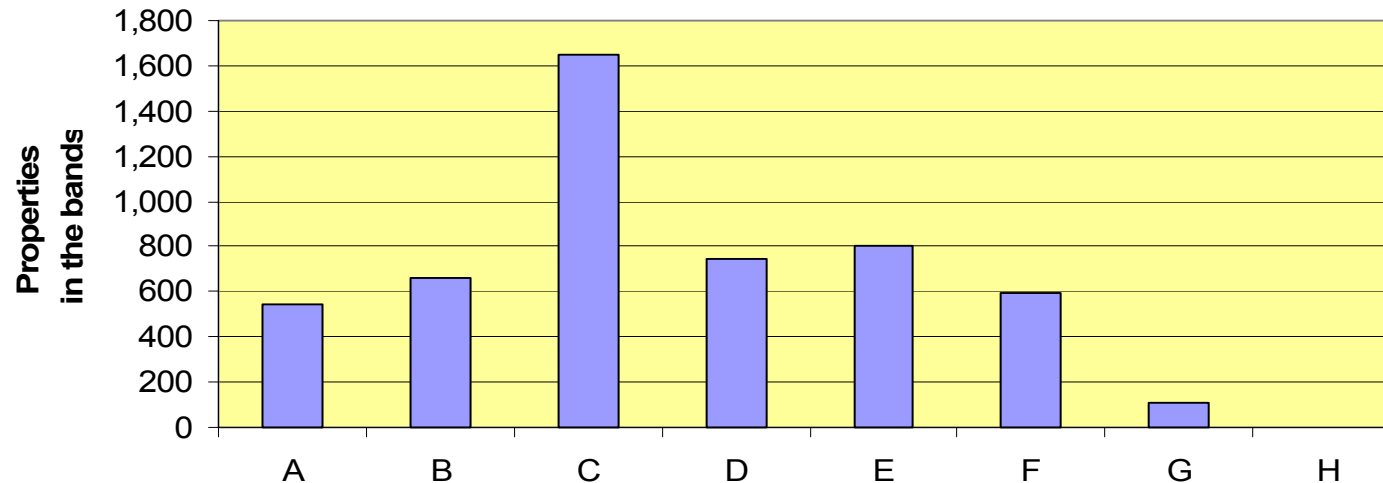
% of Population receiving CT Benefit 3.87

CT income from Ward 2005/06 £4,414,852

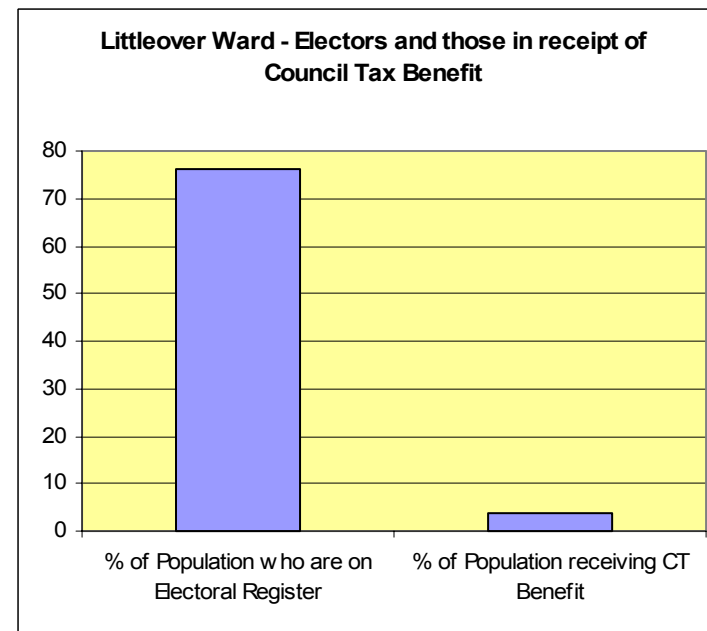
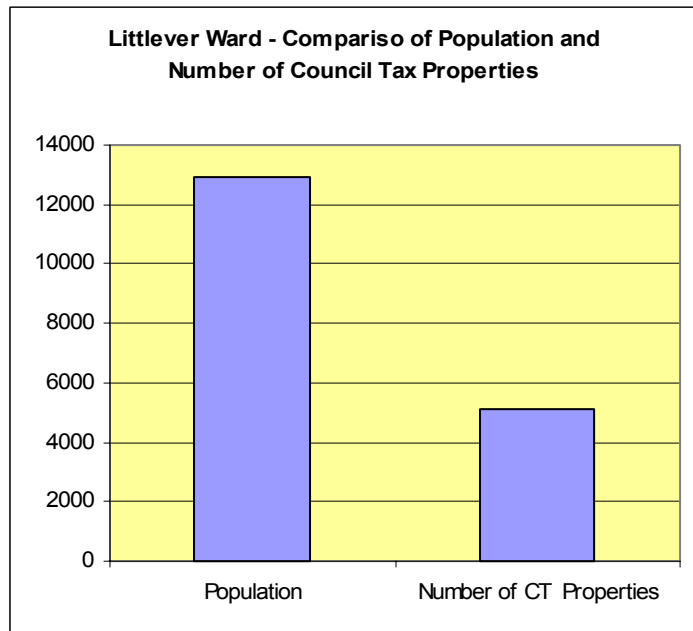
Properties in Council Tax bands

A	B	C	D	E	F	G	H	Totals
548	665	1,651	745	802	591	105	3	5,110

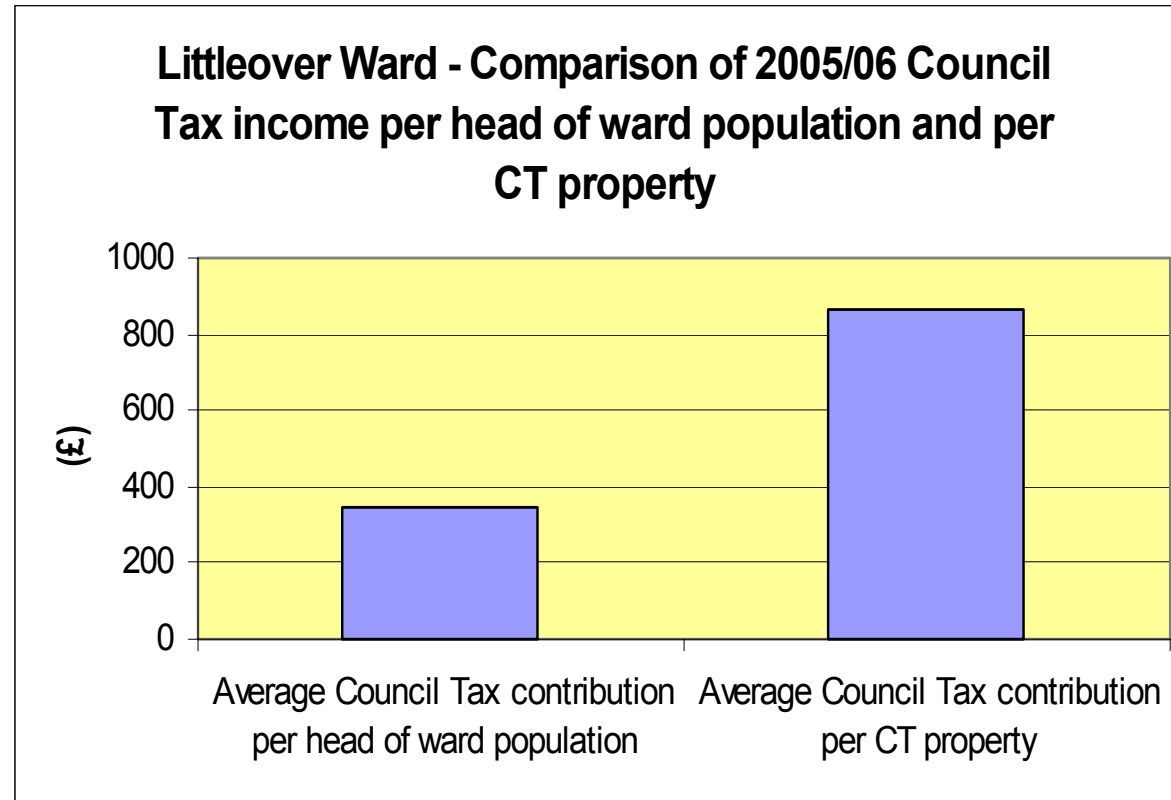
Littleover Ward - Distribution of properties in Council Tax bands - Total 5110



Littleover Ward



Littleover Ward



Mackworth Ward

Population 13373

Number of CT Properties 6146

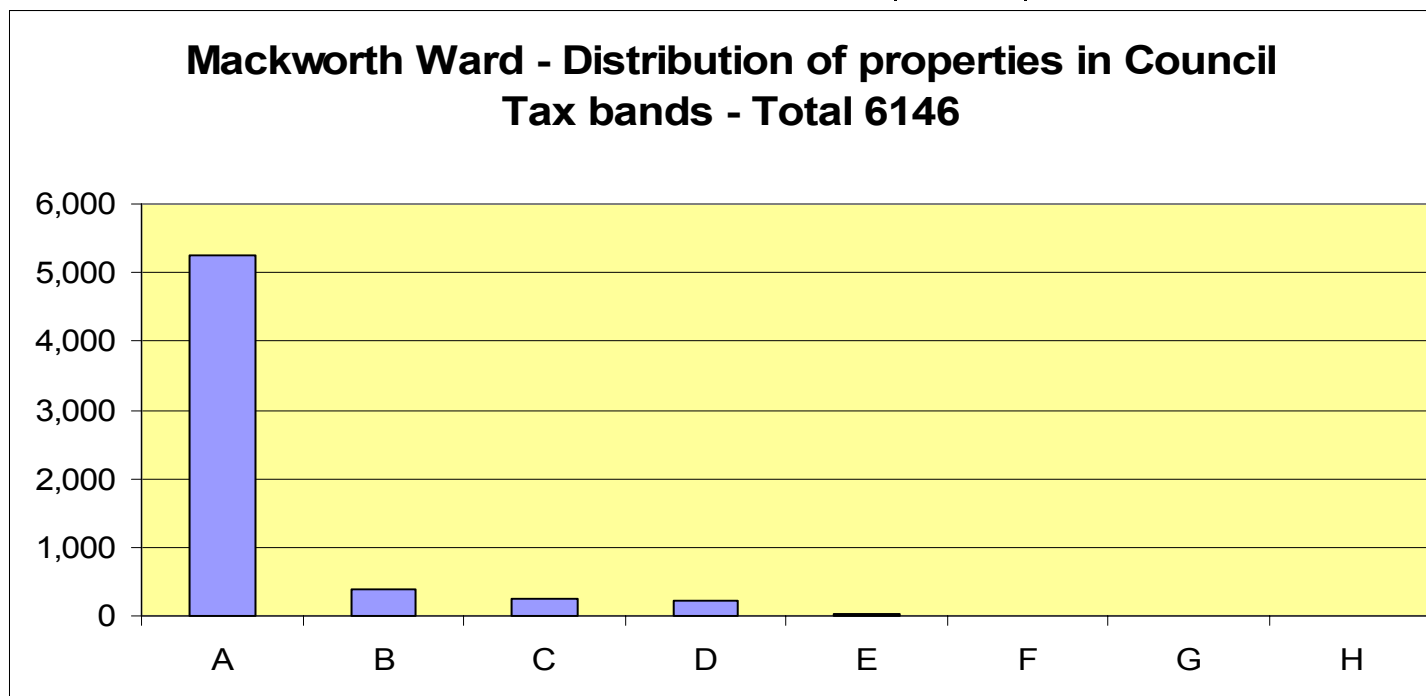
% of Population who are on Electoral Register 69.01

% of Population receiving CT Benefit 11.08

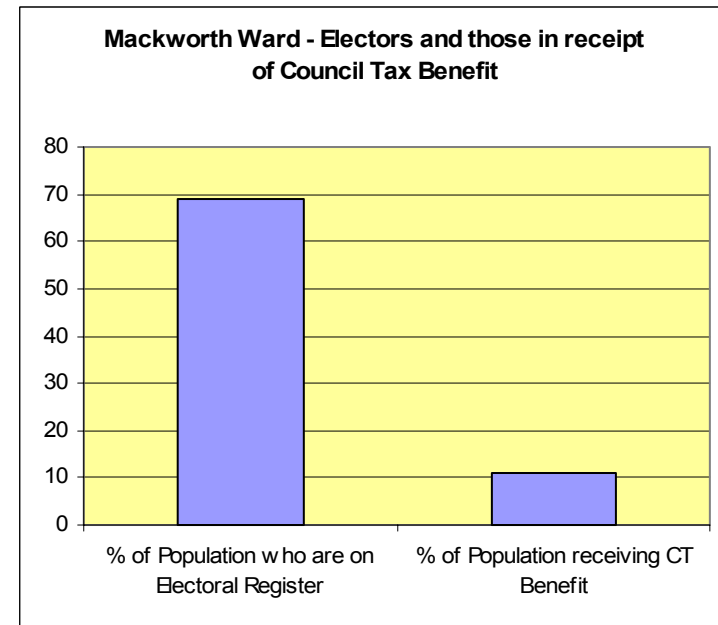
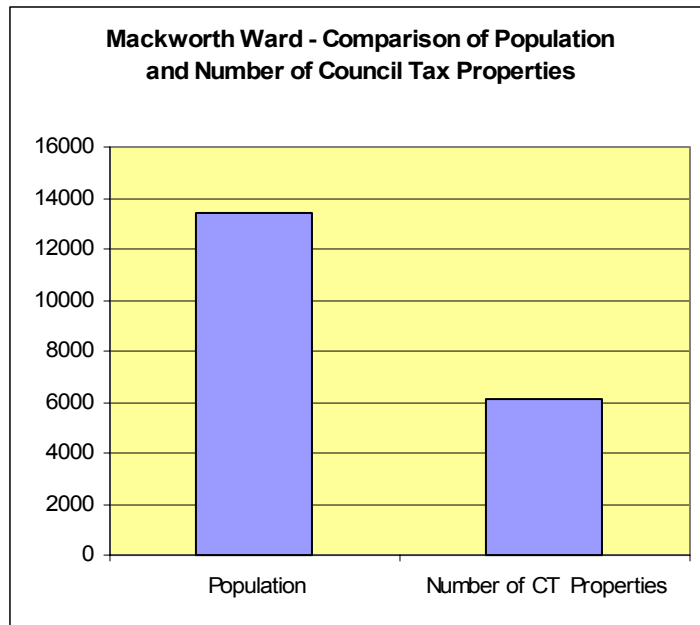
CT income from Ward 2005/06 £3,373,537

Properties in Council Tax bands

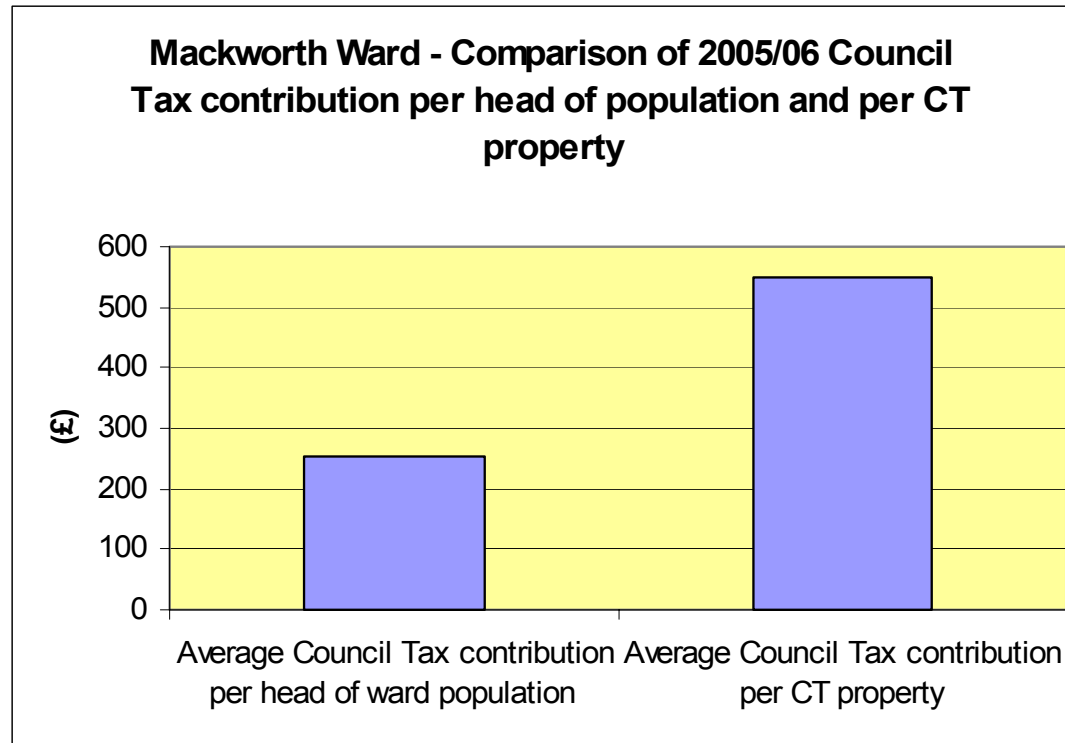
A	B	C	D	E	F	G	H	Totals
5,249	385	256	209	40	3	3	1	6,146



Mackworth Ward



Mackworth Ward



Mickleover Ward

Population 13983

Number of CT Properties 5969

% of Population who are on Electoral Register 79.38

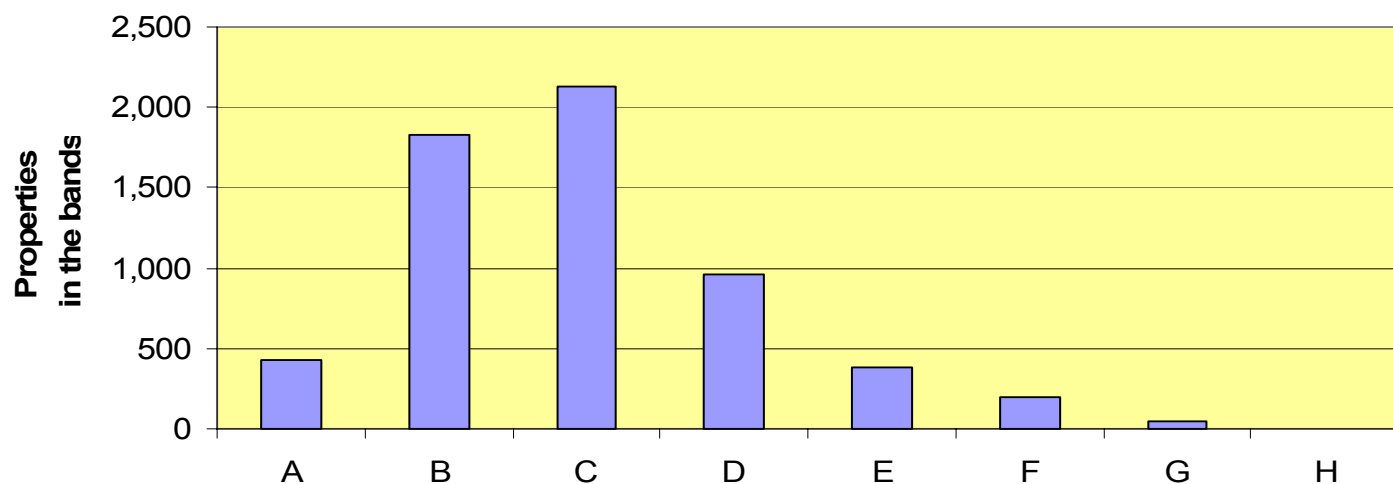
% of Population receiving CT Benefit 2.79

CT income from Ward 2005/06 £4,663,877

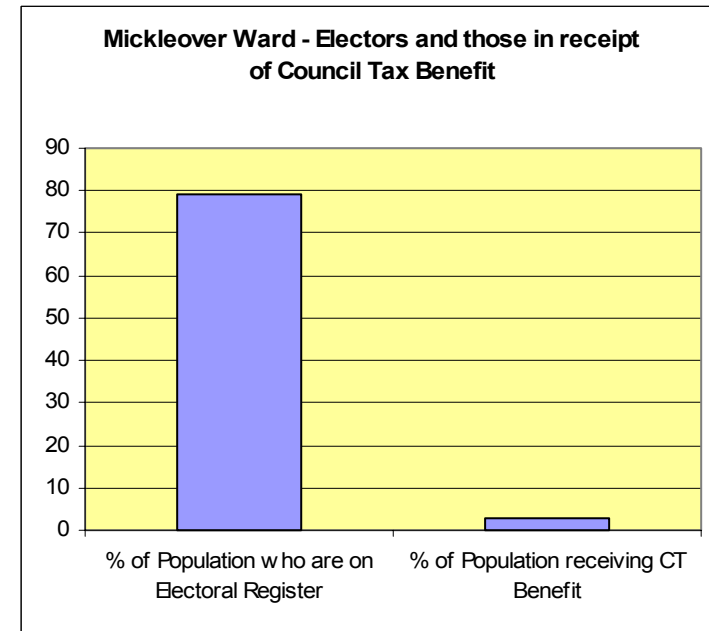
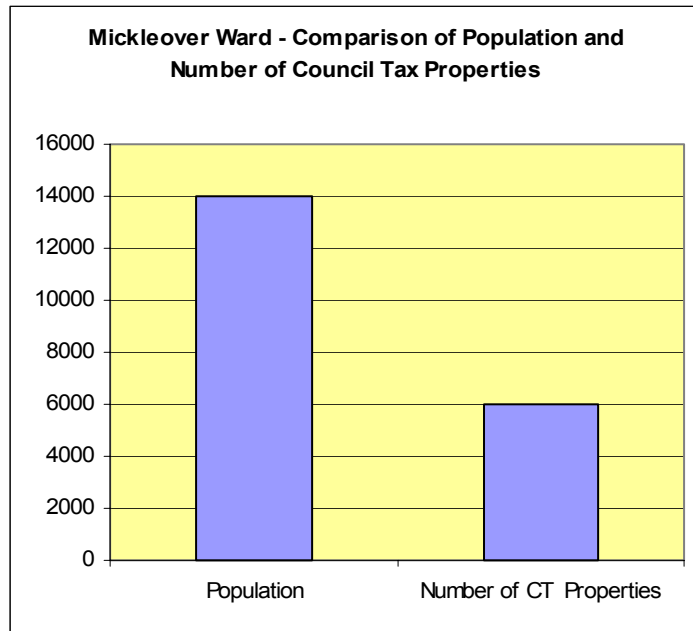
Properties in Council Tax bands

A	B	C	D	E	F	G	H	Totals
429	1,825	2,128	962	377	201	44	3	5,969

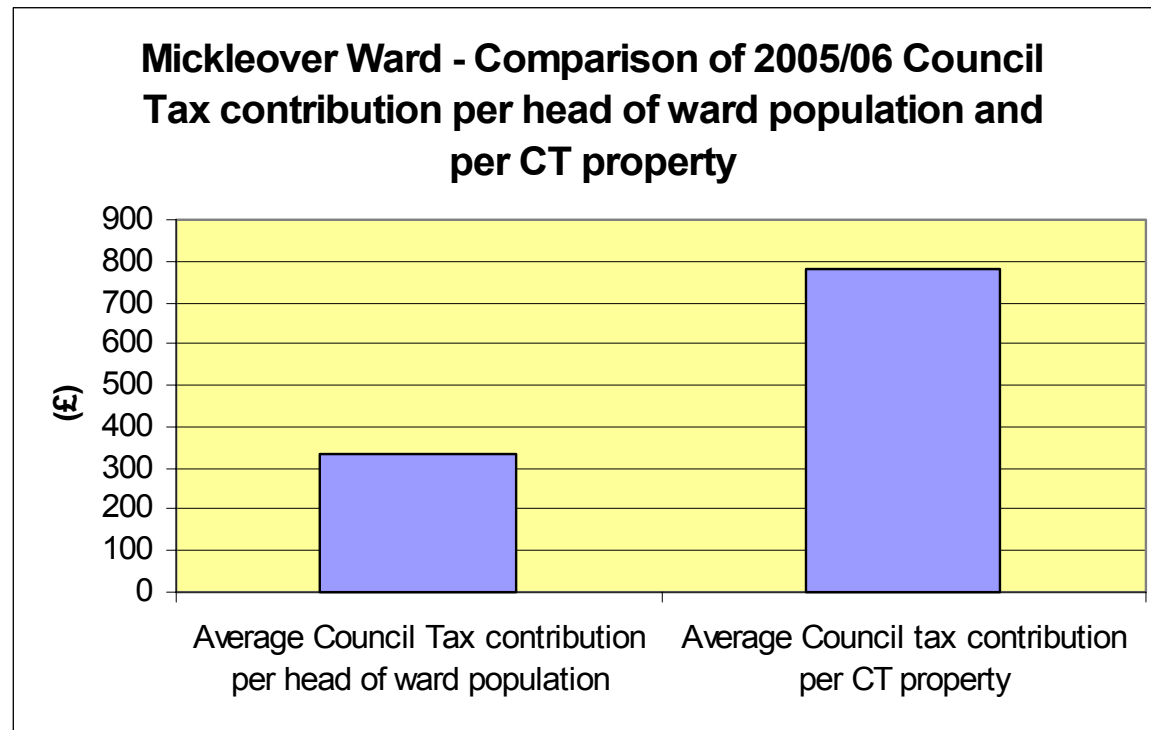
Mickleover Ward - Distribution of properties in Council Tax bands - Total 5969



Mickleover Ward



Mickleover Ward



Normanton Ward

Population 14853

Number of CT Properties 6363

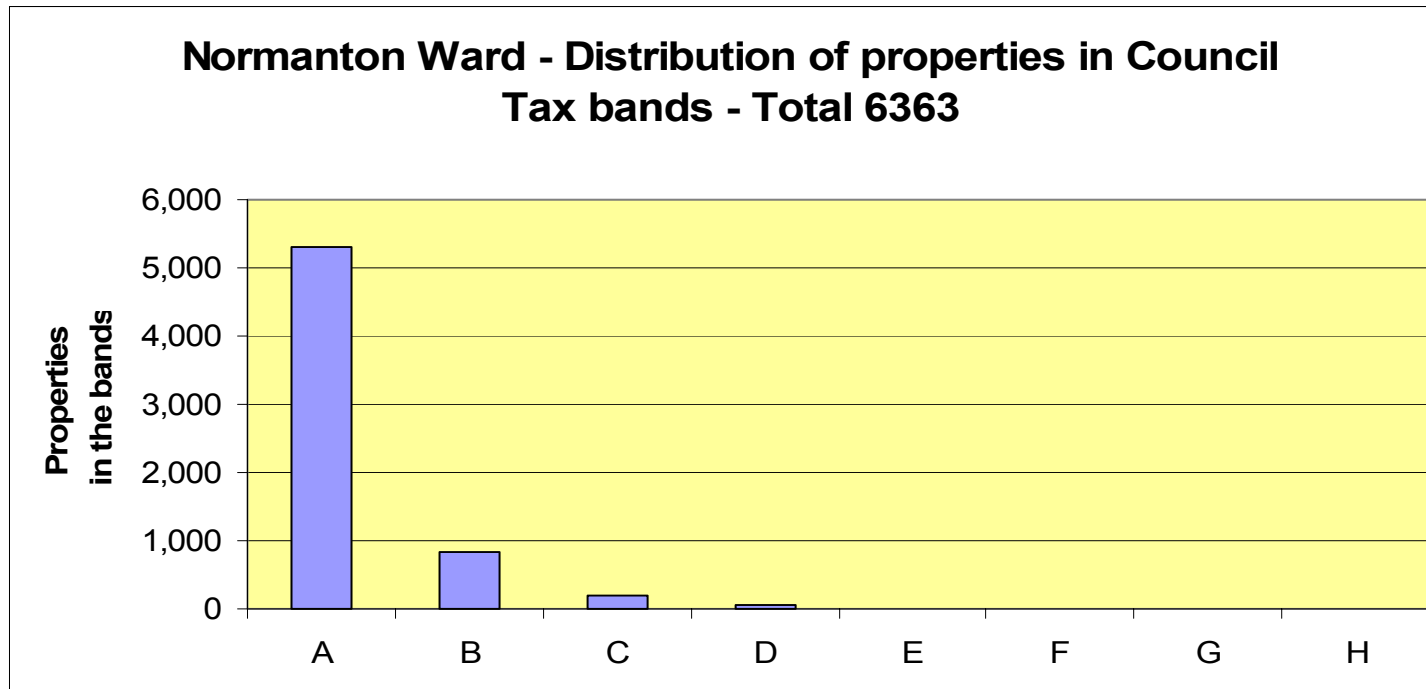
% of Population who are on Electoral Register 66.77

% of Population receiving CT Benefit 13.06

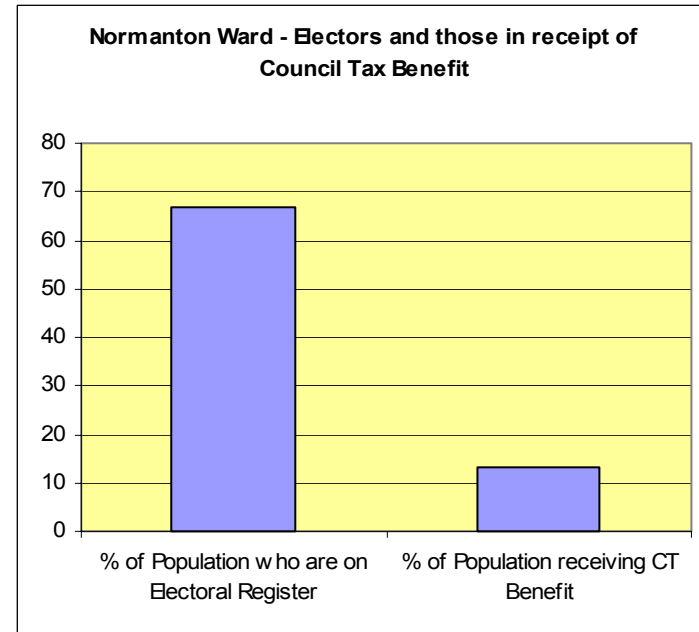
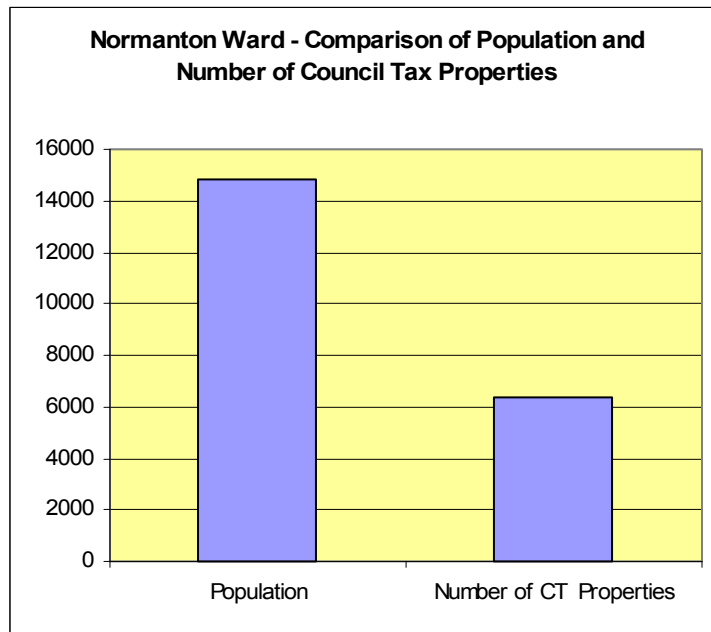
CT income from Ward 2005/06 £3,537,697

Properties in Council Tax bands

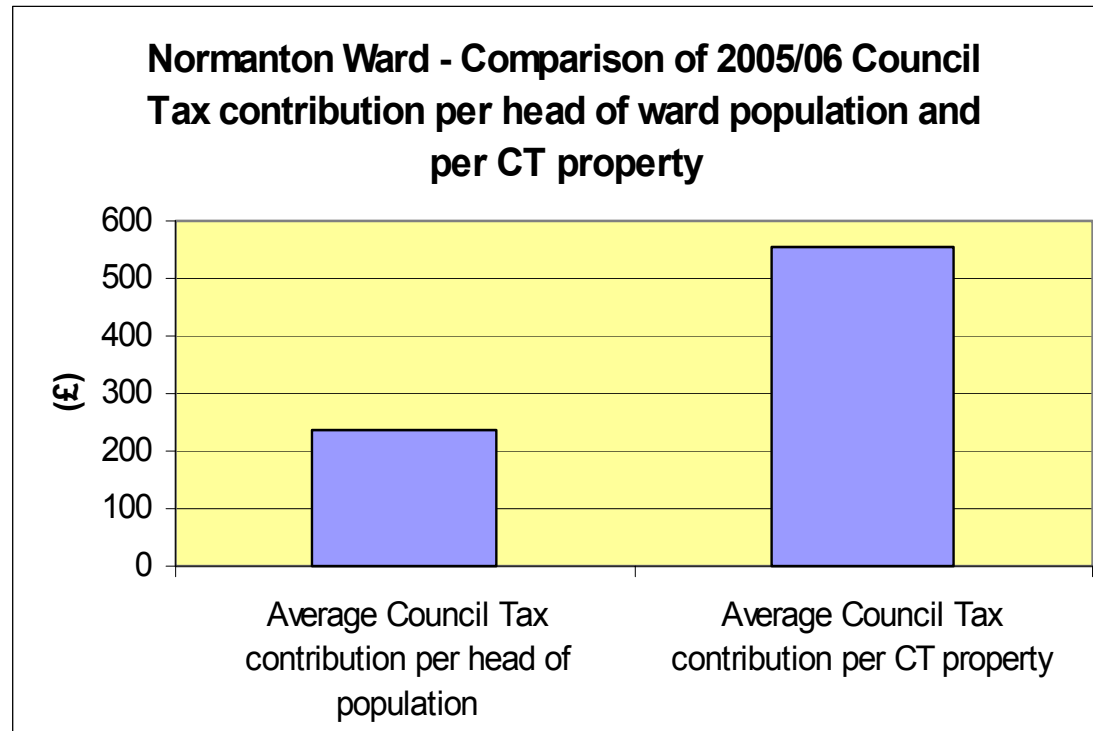
A	B	C	D	E	F	G	H	Totals
5,296	824	183	42	12	0	6	0	6,363



Normanton Ward



Normanton Ward



Oakwood Ward

Population 14036

Number of CT Properties 5703

% of Population who are on Electoral Register 71.58

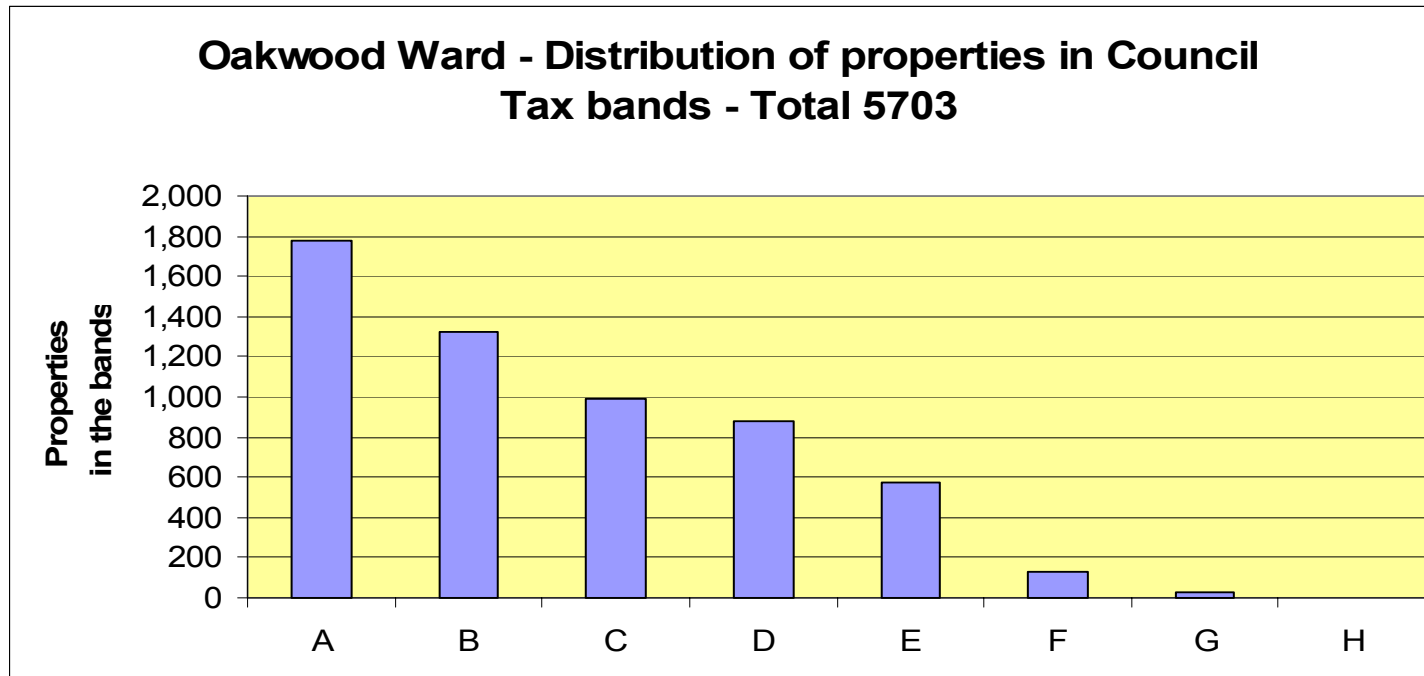
% of Population receiving CT Benefit 4.09

CT income from Ward 2005/06 £4,215,387

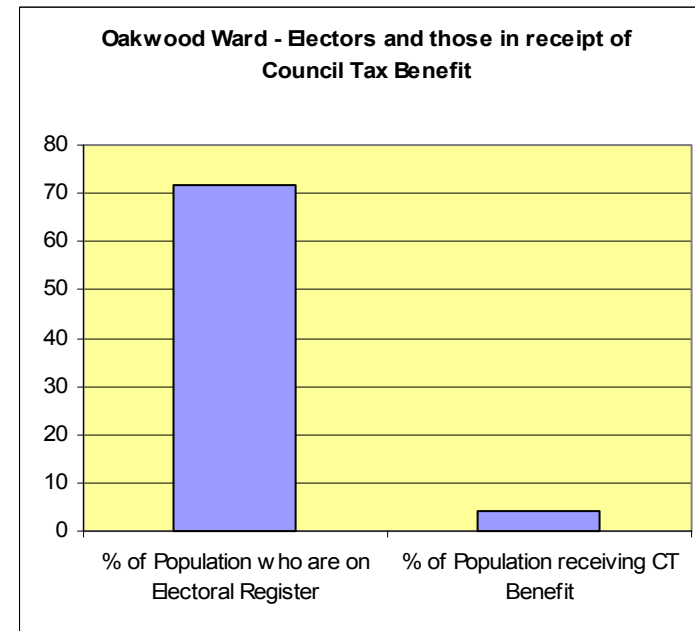
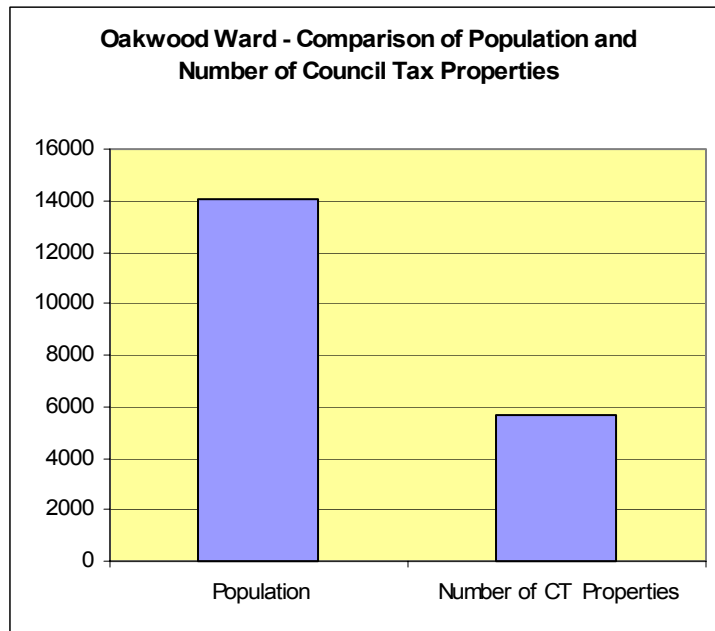
Properties in Council Tax bands

A	B	C	D	E	F	G	H	Totals
1,775	1,321	995	879	575	132	26	0	5,703

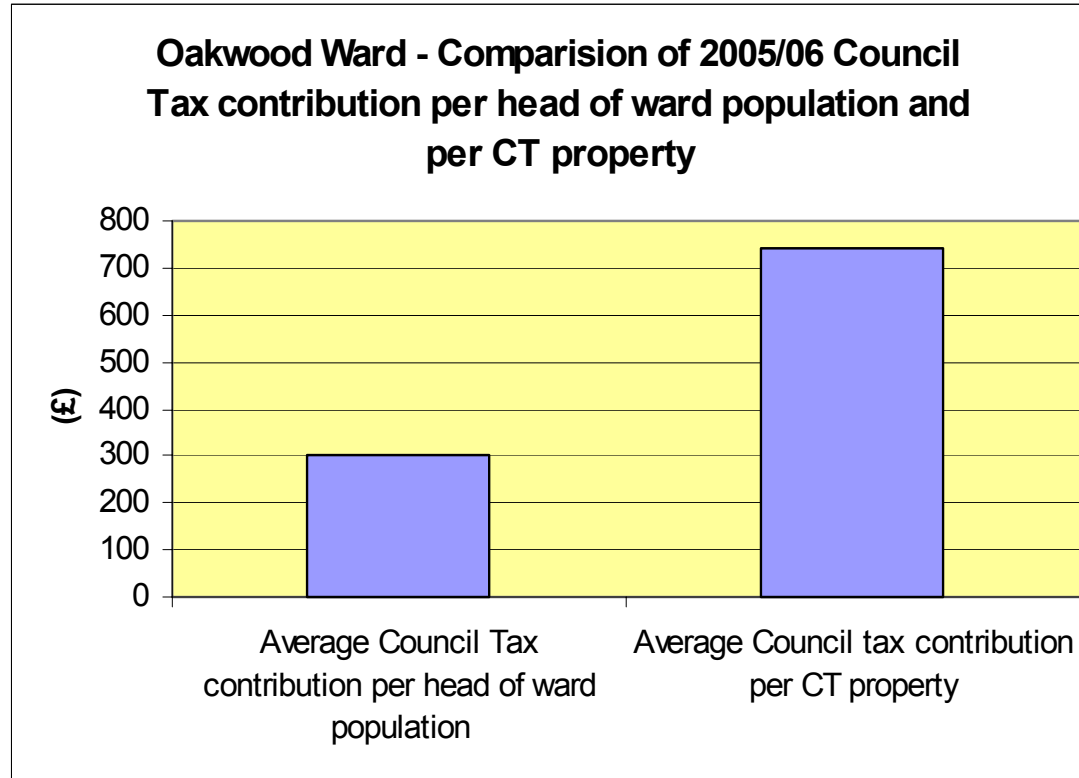
Oakwood Ward - Distribution of properties in Council Tax bands - Total 5703



Oakwood Ward



Oakwood Ward



Sinfin Ward

Population 14502

Number of CT Properties 5883

% of Population who are on Electoral Register 62.81

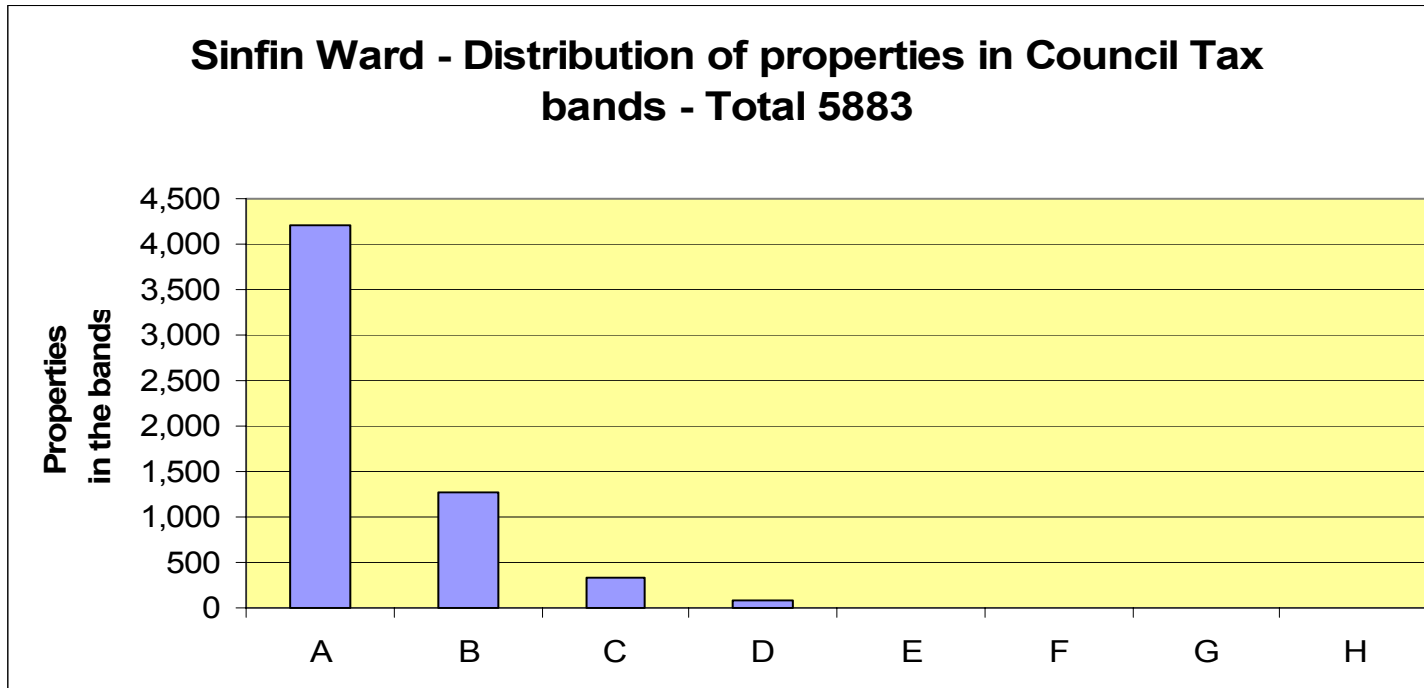
% of Population receiving CT Benefit 13.13

CT income from Ward 2005/06 £3,392,889

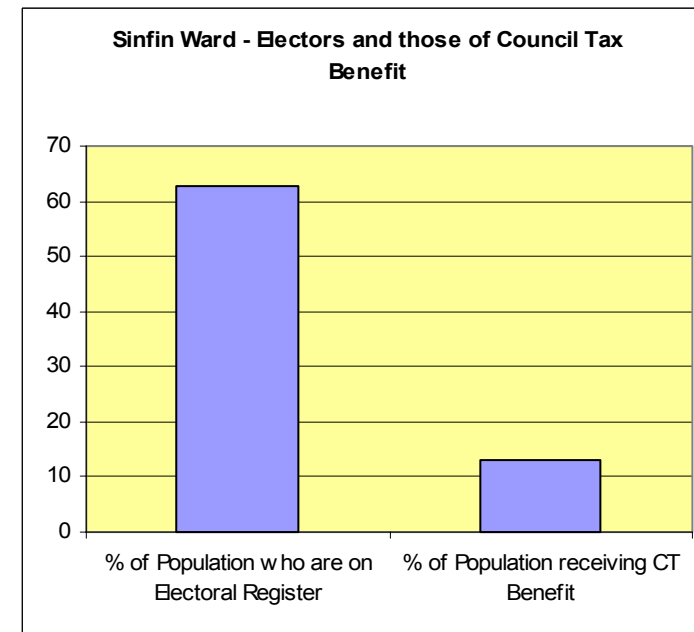
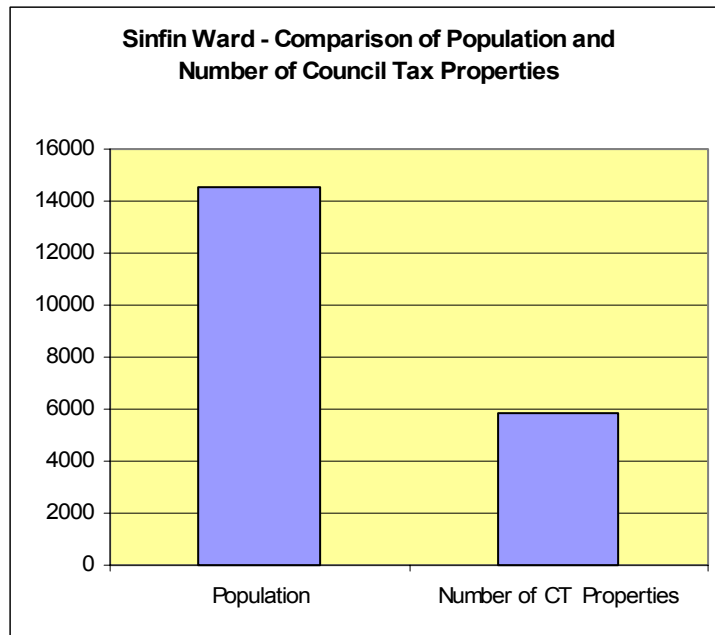
Properties in Council Tax bands

A	B	C	D	E	F	G	H	Totals
4,205	1,265	332	76	2	0	1	2	5,883

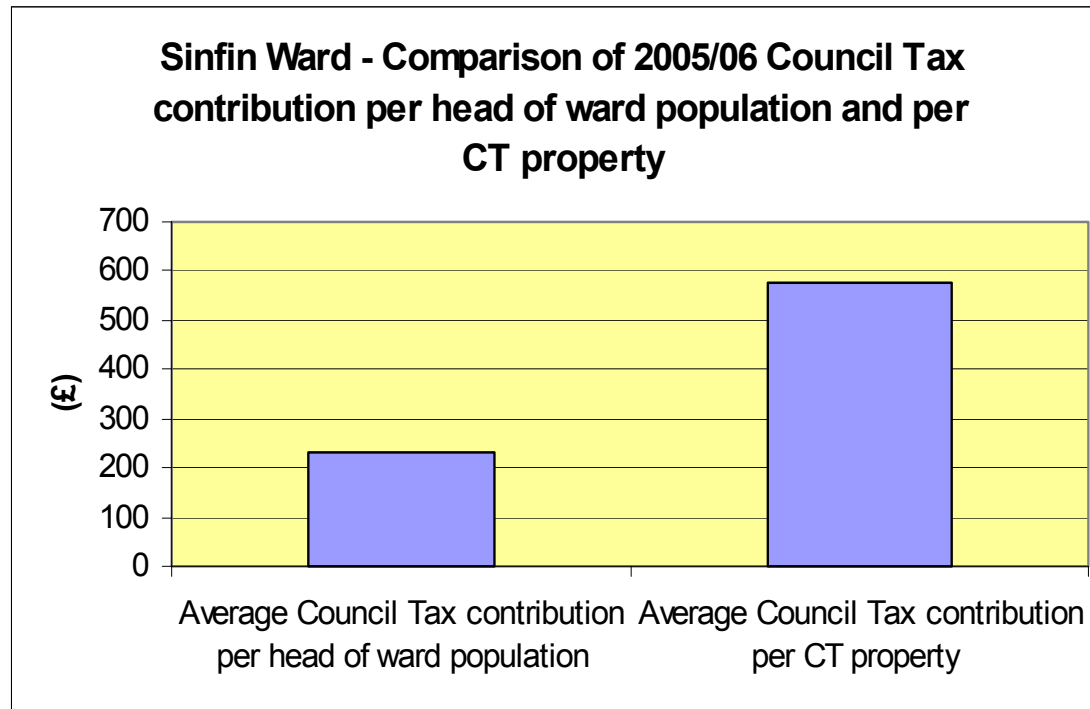
Sinfin Ward - Distribution of properties in Council Tax bands - Total 5883



Sinfin Ward



Sinfin Ward



Spondon Ward

Population 12357

Number of CT Properties 5371

% of Population who are on Electoral Register 76.29

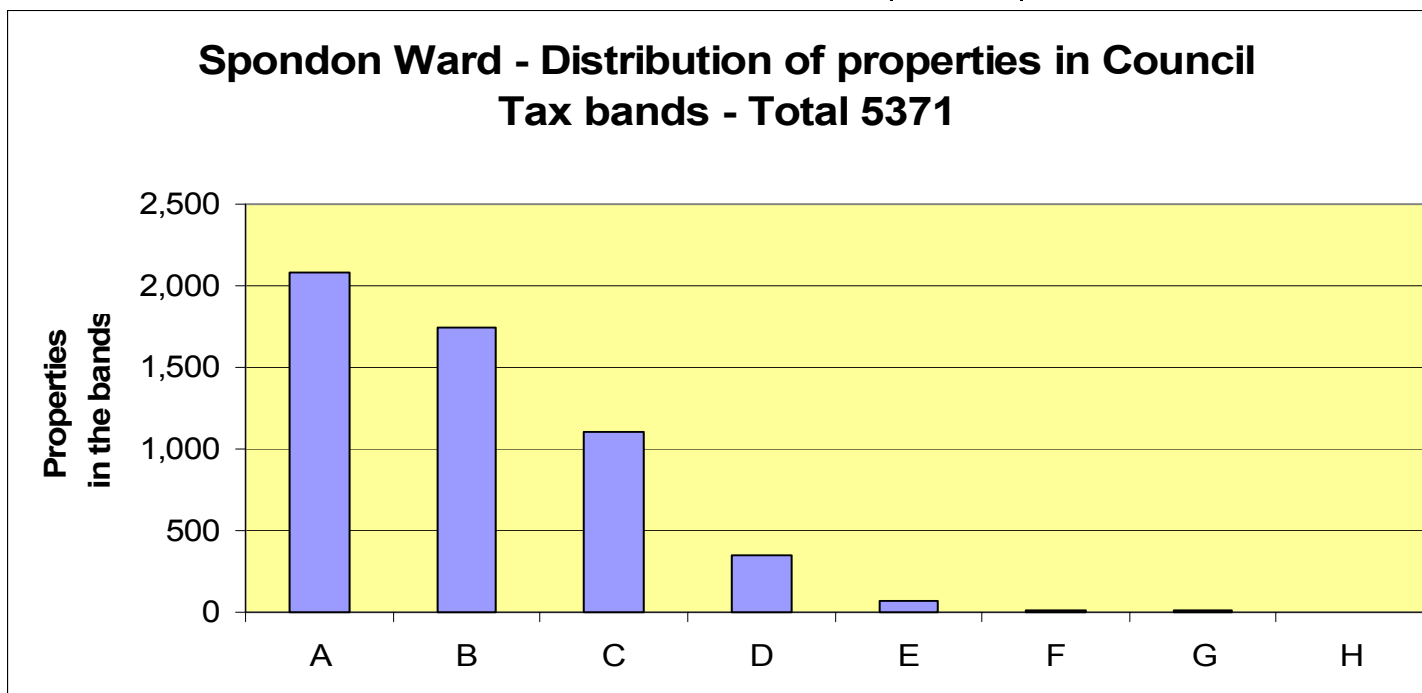
% of Population receiving CT Benefit 6.38

CT income from Ward 2005/06 £3,612,367

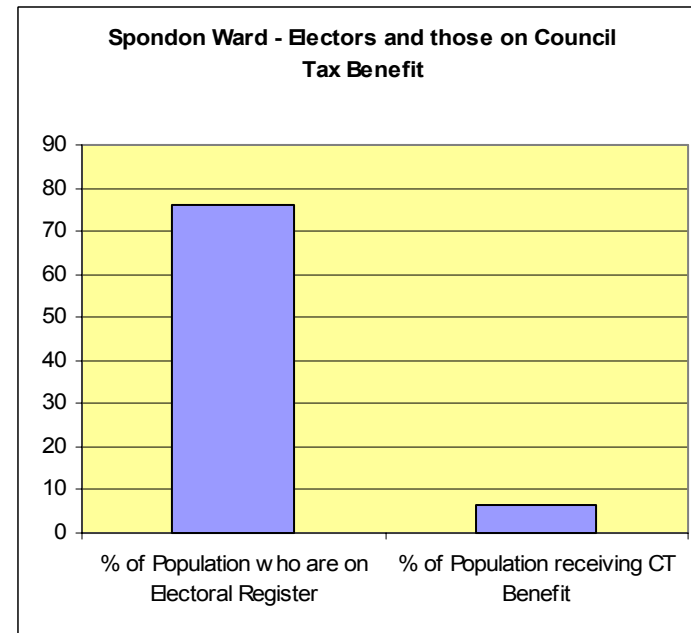
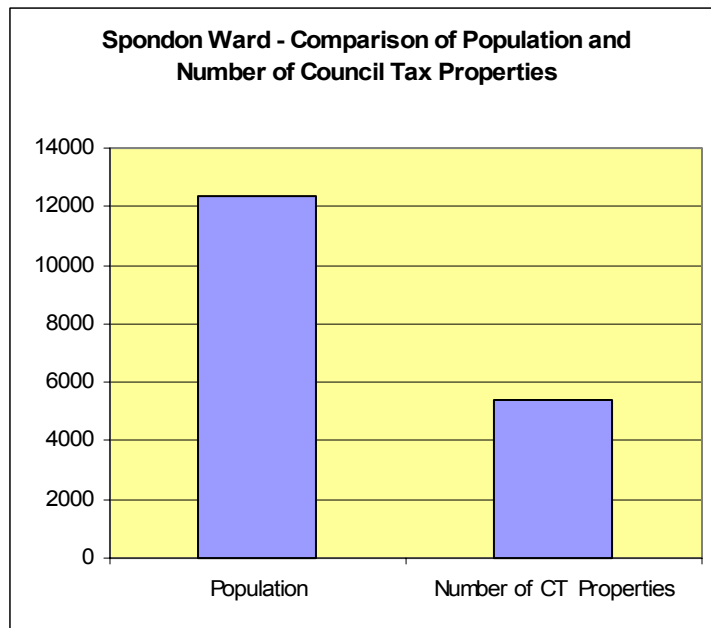
Properties in Council Tax bands

A	B	C	D	E	F	G	H	Totals
2,083	1,743	1,106	344	71	15	8	1	5,371

Spondon Ward - Distribution of properties in Council Tax bands - Total 5371



Spondon Ward



Spondon Ward

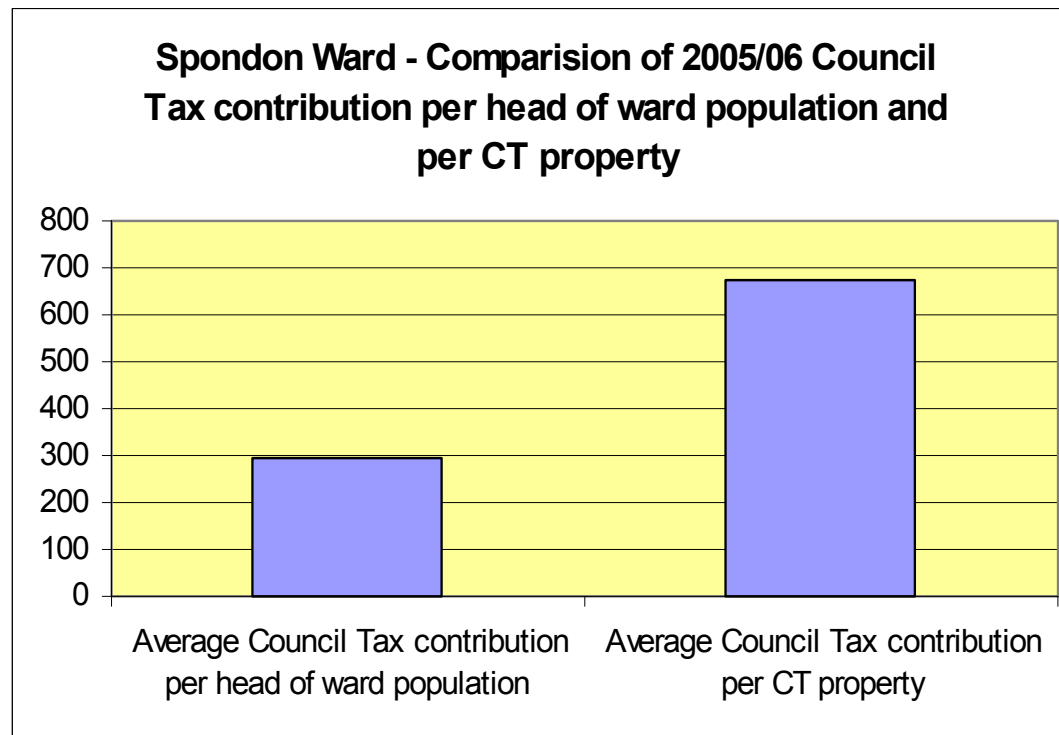


Figure 1 All wards comparison - Number of properties in Council Tax A band

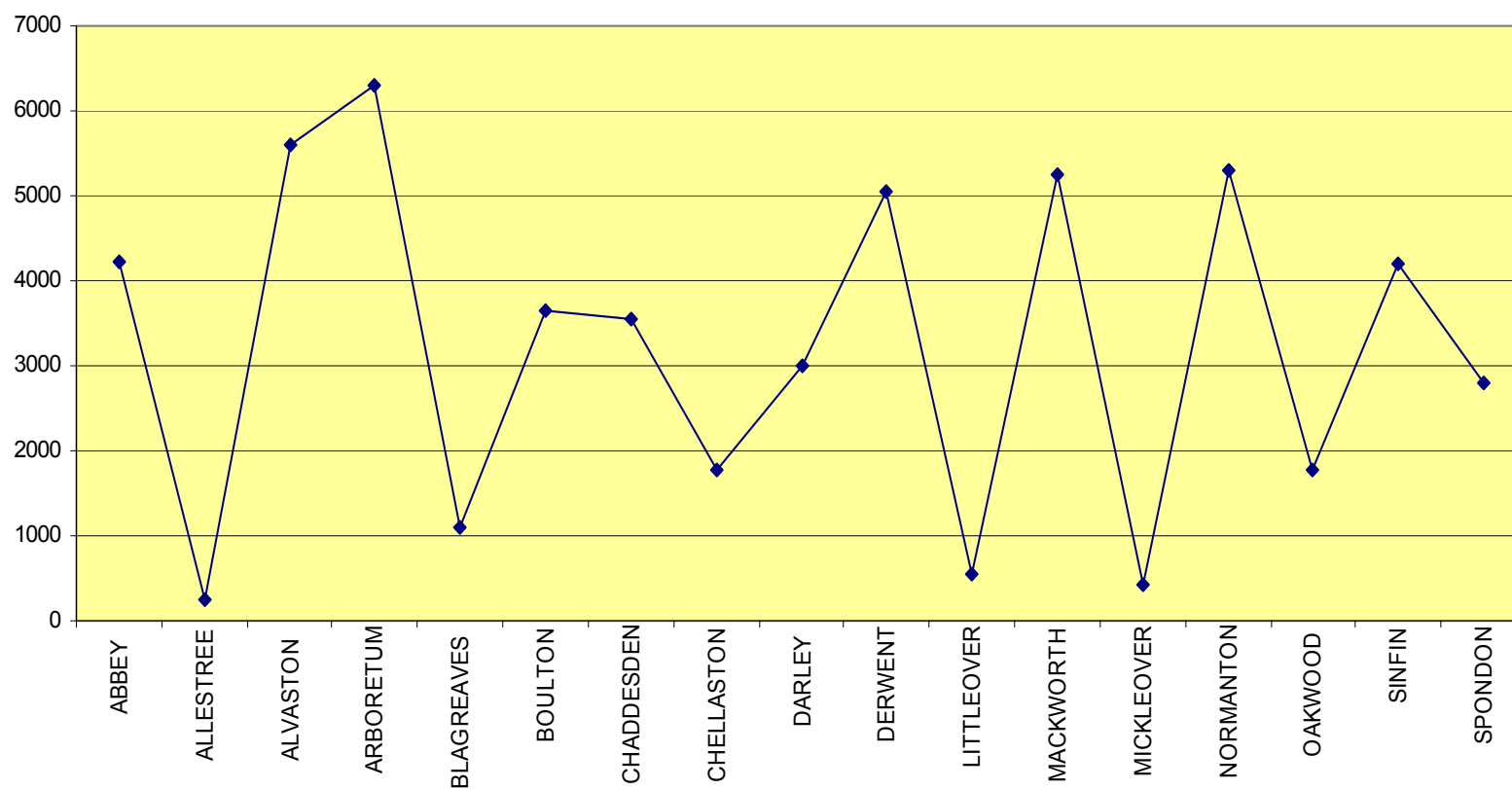


Figure 2 All wards comparison - % population on Electoral Register vs % population in receipt of CT benefit

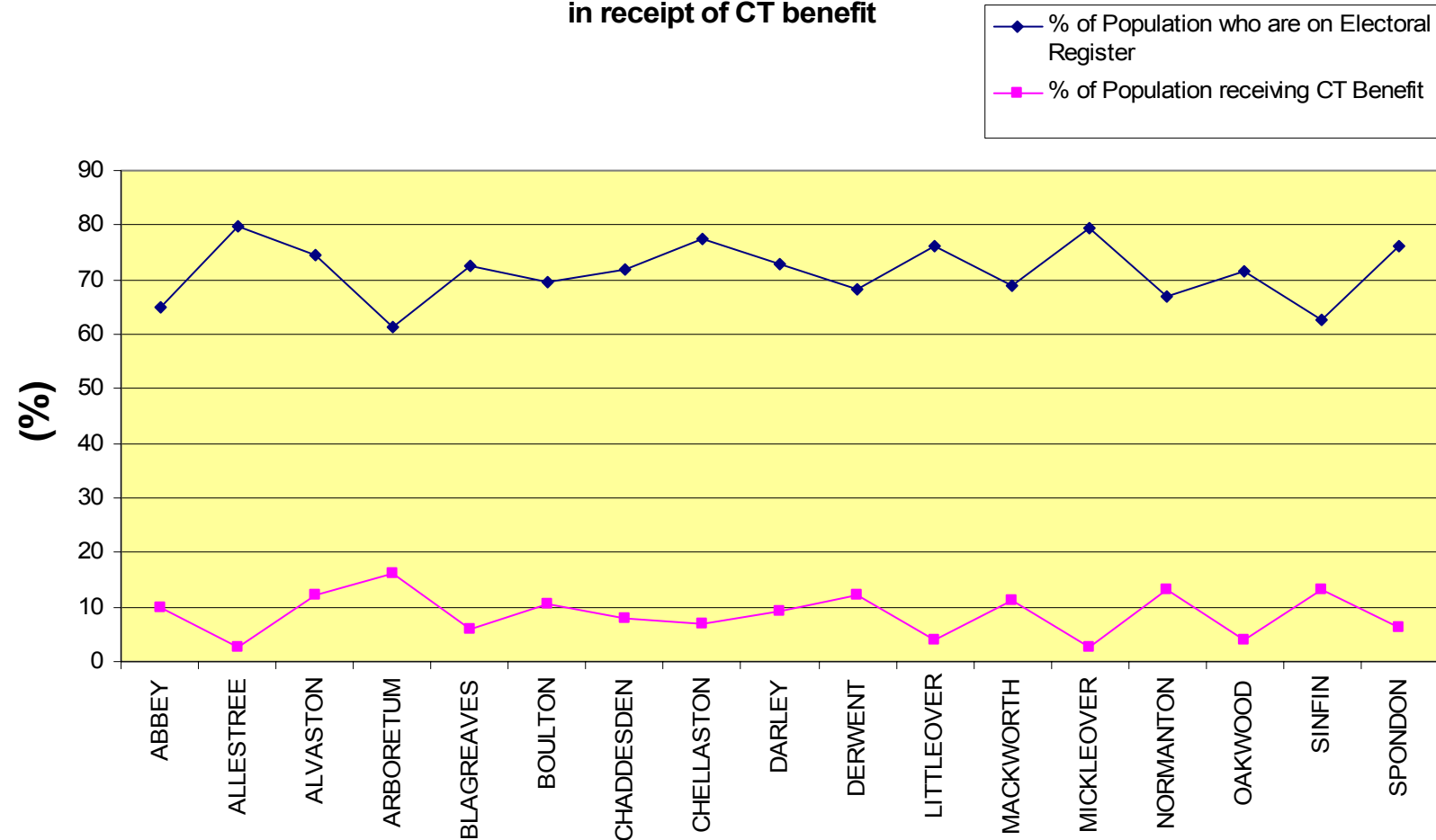
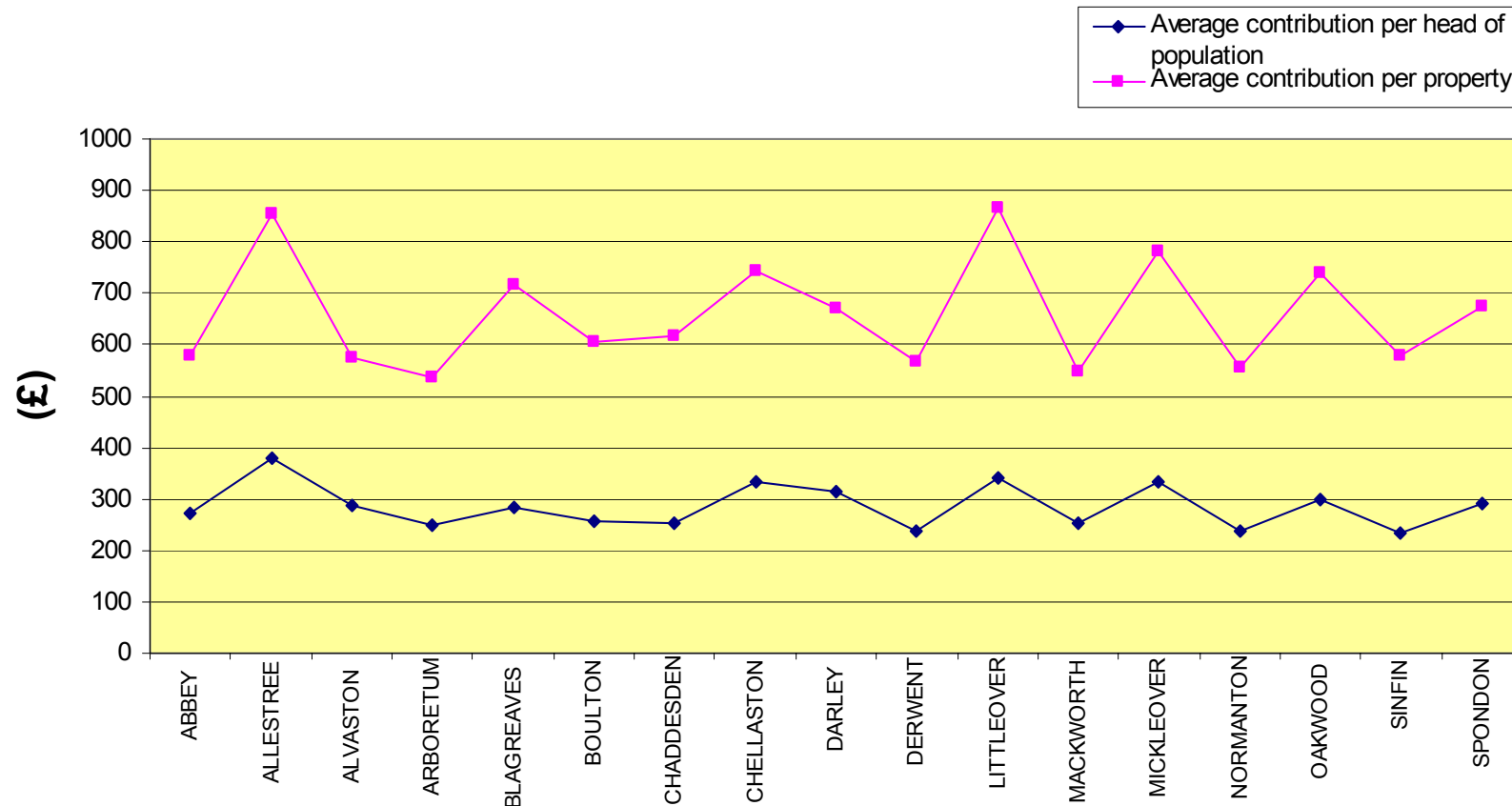


Figure 3 All wards comparison - Average 2005/06 CT contribution per head of population vs Average 2005/06 CT contribution per CT property



APPENDIX 1

BACKGROUND DATA ANALYSIS FOR SCRUTINY MANAGEMENT COMMISSION

1. The attached sheet sets out the background data analysis previously requested by the working group that is reviewing the incidence of council tax, expenditure and services across the City, as reported back to Scrutiny Management Commission on 20 June 2006.
2. The background data requested for each ward was:
 - Information on council tax income including the number of properties and households receiving benefit
 - Population
 - The electorate
3. The Commission is asked to take account of the following when considering the data:
 - Population. Column A shows our current best estimate of the 2006 population of Derby, for each ward. It is based on the total ONS population estimate for Derby of 234,400, allocated across each ward in proportion to the ONS ward based estimates of 2002, which were amended to correct for the initial census errors.
 - Electorate. Column B shows the current electoral register count for 2006. The total electorate for all wards is 167,433 compared with an 18+ 2006 population estimate of 182,135. The electorate is also volatile year on year.
 - Council Tax Properties. Column C1 shows the total properties and Column C2 shows how many of these are liable for council tax after exemptions (empty and inhabitable properties, etc.). Column C3 shows the 'Band D equivalent' figure per ward, which equates the number of liable properties to the taxable equivalent of a Band D property, taking account of differences in property bands and discounts. All of these figures are based on the taxbase as it stood at February 2006.
 - Council Tax Benefit. Column C4 shows the number of households claiming council tax benefit in April 2006, for both full and partial rebates from council tax. Council tax benefit is not taken into account in the Band D equivalent calculation. Rebates from council tax are recovered from additional government grant and so do not affect the resources available to support the Council's services.
 - Gross Council Tax Income. Column D is an estimate of gross council tax income for City Council services. It is a notional calculation for

2006/7, based on the February 2006 Band D equivalent figure (Column C3) multiplied by the Band D tax set for the City Council services of £966.66 in 2006/7. It is an estimate as actual income will be reduced for non-collection and for fluctuations in the taxbase over the course of 2006/7. The Council also receives Government formula grant to support its expenditure on services, which is equalised to compensate for the low tax yield in some areas compared to others, so that service provision is not dependent on the taxable resources available to a local authority.

Resources Department
June 2006

Analysis of Population, Electorate and Council Tax Liability by Ward

	Population Estimate	Electorate Register	Total Council Tax	Properties Charged	Band D Equivalent	Households Claiming	Approx Gross Tax Income before CTB
	mid-2006	2006	Properties Feb 2006	Council Tax Feb 2006	Properties Feb 2006	Council Tax Benefit April 2006	2006/7 @966.66 Band D £000
	A	B	C1	C2	C3	C4	D
Abbey	13,277	8,636	6,268	5,763	3,844	1,319	3,716
Allestree	13,606	10,875	6,013	5,898	5,455	374	5,273
Alvaston	14,292	10,667	7,085	6,891	4,322	1,725	4,178
Arboretum	15,848	9,753	7,296	6,812	4,154	2,552	4,016
Blagreaves	13,237	9,630	5,256	5,154	3,992	790	3,859
Boulton	14,286	9,998	6,012	5,890	3,862	1,508	3,733
Chaddesden	13,729	9,889	5,652	5,546	3,693	1,102	3,569
Chellaston	13,130	10,205	5,867	5,765	4,622	904	4,467
Darley	12,758	9,308	6,196	5,738	4,248	1,158	4,106
Derwent	14,236	9,724	5,940	5,808	3,580	1,735	3,460
Littleover	12,898	9,824	5,110	4,996	4,677	500	4,521
Mackworth	13,373	9,248	6,146	5,753	3,574	1,482	3,455
Mickleover	13,983	11,119	5,969	5,871	4,941	391	4,776
Normanton	14,853	9,936	6,363	6,097	3,748	1,941	3,623
Oakwood	14,036	10,056	5,703	5,604	4,466	575	4,317
Sinfin	14,502	9,124	5,883	5,704	3,594	1,904	3,474
Spondon	12,357	9,441	5,371	5,276	3,827	788	3,699
Total	234,400	167,433	102,130	98,566	70,595	20,748	68,242