

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

CABINET

22ND NOVEMBER 2017

REPORT OF THE HEAD OF FINANCIAL SERVICES – DAVID REES

MATTER FOR DECISION:

CALCULATION OF COUNCIL TAX BASE FOR 2018/19

Wards Affected: All

Purpose of report

1. To formally set the Council Tax Base for the 2018/19 financial year.

Background

2. The Council Tax Base is an amount required by the Local Government Finance Act 1992 to be used in the calculation of council tax by billing authorities and major precepting authorities and in the calculation of the amount of a precept payable by each billing authority to a major precepting authority. The Base is a measure of the tax-raising capacity of an authority. It is expressed in terms of the number of Band D equivalent dwellings in an authority's area, taking into account exemptions, discounts, disablement relief, and the authority's estimate of its collection rate for Council Tax.
3. The rules for the calculation of the Council Tax Base are contained in The Local Authorities (Calculation of Tax Base) (Wales) (Amendment) Regulations 2016 which amend The Local Authorities (Calculation of Council Tax Base) (Wales) Regulations 1995. The amendments in the 2016 Regulations have been made as a consequence of amendments to the Local Government Finance Act 1992 by section 139 of the Housing (Wales) Act 2014. Those amendments enable billing authorities to apply a higher amount of Council Tax ("a premium") in respect of long-term empty

dwellings and dwellings that are occupied periodically. It must be noted that this authority has not considered this option to date.

4. The calculation of the Council Tax Base is required to be made before 31st December. The Tax Base must also be notified to all Precepting Authorities (e.g. Police Authority and Community Councils) by that date. Although this is still the statutory timetable, this year the Assembly requested a provisional calculation be supplied by the 22nd November 2017 in order to meet the deadline for the calculation of the distribution of Revenue Support Grant for 2018-19.

Calculation

5. The gross Council Tax Base calculated for 2018/19 is 48,718.97 and using a collection rate of 97% produces a net Council Tax base of 47,257.40. This means that for next year and for every £1 levied in council tax terms will generate £47,257 to meet the Council's Budget Requirement. The detailed calculation is contained in Appendix 1.
6. Members should note that this is an increase from the 2017/18 base of 46,641.68 (calculated at 96% collection rate) by some 614 Band D equivalent dwellings.
7. Members will note that the collection rate has been increased to 97% for 2018/19 to reflect the higher collection rate achieved over the past few years. They were:

Year	Collection Rate
2014/15	97.5%
2015/16	97.9%
2016/17	98%

8. It is also necessary to calculate the Council Tax Base in respect of areas which are served by Town and Community Councils, and these are summarized in the following table:

Town and Community Council	Council Tax Base
Blaengwrach	359.72
Blaenhonddan	4,571.15
Briton Ferry	1,835.56
Clyne and Melincourt	256.06
Coedffranc	3,550.35
Crynant	669.59
Dyffryn Clydach	1,093.98
Glynneath	1,363.88
Neath	6,442.13
Onllwyn	363.97
Pelenna	395.67
Resolven	720.11
Seven Sisters	620.15
Tonna	832.78
Cilybebyll	1,874.83
Cwmllynfell	374.15
Gwauncaegurwen	1,313.89
Pontardawe	2,465.45
Ystalyfera	1,568.49

9. Further details of the calculation for each Town and Community Council area is shown in Appendix 2.

Financial Impact

10. The Council must approve the Council Tax Base by 31st December of the preceding financial year. The gross tax base is used by the Welsh Government to distribute Revenue Support Grant to individual Authorities. Together with the Council Tax level it determines the quantum of Council Tax proceeds available to fund the Council's Budget and Services. This will be dealt with as part of the Budget Requirement and Council Tax setting reports that will be considered by Council in February 2018.

Equality Impact Assessment

10. There is no requirement for an equality impact assessment in respect of this item

Workforce impacts

11. There are no workforce impacts arising from this report.

Legal impact

12. There is a statutory requirement to agree and set the Council Tax Base for the forthcoming financial year prior to 31st December.

Risk management

13. There are no risk management issues arising from this report.

Consultation

14. There is no requirement under the Constitution for external consultation on this item.

Recommendations

15. It is recommended that members approve the 2018-19 net Council Tax Base
 - of 47,257.40 for the whole of the County Borough; and
 - for each Town and Community Council area the amount shown in paragraph 6 of this report.

Reason for Proposed Decisions

16. To determine the Council Tax Base for 2018/19.

Implementation of Decisions

17. The decisions are urgent ones for immediate implementation, subject to the consent of the relevant Scrutiny Chair (and is therefore not subject to the call-in procedure). This will also enable the Council to forward the tax base to the Welsh Government within the required timescales.

Appendices

18. Appendix 1 - Calculation of Council Tax Base

Appendix 2 - Calculation of Council Tax Base for Community Councils

List of Background Papers

19. Local Authorities (Calculation of Council Tax Base) (Wales) Regulations 1995 (SI 1995/2561)
Local Authorities (Calculation of Council Tax Base) (Wales) Regulations 1999 (SI 1999/2935)
Local Authorities (Calculation of Council Tax Base) (Wales) Regulations 2004 (SI 2004/3094) (W268))
Local Authorities (Calculation of Council Tax Base) (Wales) Regulations 2016 (SI 2016/969) (W238))
Local Government Finance Act 1992
NAW Letter - Council Tax Dwellings Return (CT1) for 2018/19
Council Tax Dwellings (CT1) Return 2018/19

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Appendix 1

Grand Total Estimated Council TAX Base for 2018-19												
		Band A Disabled	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Band I	Total
	Chargeable dwellings											
A1	Chargeable dwellings	0	12,793	26,448	11,273	7,064	4,303	1,364	493	100	22	63,860
A2	Dwellings subject to Disability	0	60	344	152	114	80	27	18	17	6	818
A3	Adjusted Chargeable Dwellings	60	13,077	26,256	11,235	7,030	4,250	1,355	492	89	16	63,860
B1	Dwellings with No Discount	49	4,809	15,114	7,333	4,995	3,399	1,135	384	57	9	37,284
B2a	Dwellings with 25% Discount (exclude 2nd homes/empty)	11	7,596	10,334	3,588	1,860	756	187	72	11	2	24,417
B2b	Dwellings with a 50% Discount (exclude 2nd homes/empty)	0	9	24	11	14	21	14	20	11	2	126
B3a	Dwellings with other than 25% or 50% Discount	0	0	0	0	0	0	0	0	0	0	0
B3b	Dwellings with empty prop or 2nd home discount	0	663	784	303	161	74	19	16	10	3	2,033
B3c	Dwellings with empty prop or 2nd home premium	0	0	0	0	0	0	0	0	0	0	0
B4	Total Adjusted Chargeable Dwellings (sum B1 to B3c=A3)	60	13,077	26,256	11,235	7,030	4,250	1,355	492	89	16	63,860
	Discount and premium adjustments											
B5	Total variable discounts	0	0	0	0	0	0	0	0	0	0	0
B6	Empty prop / 2nd home adjustments	0	304	337	124	63	30	7	6	4	2	875.8
B7	Empty prop / 2nd home premiums	0	0	0	0	0	0	0	0	0	0	0
	Calc of chargeable dwellings with discounts and premiums											
C2	Total dwellings including discounts and premiums (=A3-(B2ax0.25)-(B2bx0.5)-B5-B6+B7)	57	10,870	23,324	10,209	6,495	4,021	1,294	458	77	13	56,818
C3	Ratio to band	"5/9	"6/9	"7/9	"8/9	"9/9	"11/9	"13/9	"15/9	"18/9	"21/9	
C4	Band D equivalents (=C2xC3)	31.81	7,246.66	18,140.50	9,074.22	6,495.25	4,914.25	1,869.12	763.33	153.50	30.33	48,718.97
C5	Total discounted dwellings excluding premium adjustments	57	10,870	23,324	10,209	6,495	4,021	1,294	458	77	13	56,818
C6	Band D equivalents excluding premiums	31.81	7246.66	18140.50	9074.22	6495.25	4914.25	1869.12	763.33	153.50	30.33	48,718.97
	Collection Rate											97.00%
	Council Tax Base @ 97% Band D Equivalents											47,257.40

Appendix 2

Council Tax Base 2018/19 – Calculation for Town and Community Councils

Community Council	Discounted Chargeable Dwellings @97% at 31/10/17	New Properties @97% (Band D Equivalent)	Total Discounted Chargeable Dwellings Adjusted @97%	Council Tax Base 2018/19
Blaengwrach	359.72	0.00	359.72	359.72
Blaenhonddan	4,571.15	0.00	4,571.15	4,571.15
Briton Ferry	1,833.62	1.94	1,835.56	1,835.56
Clyne & Melincourt	256.06	0.00	256.06	256.06
Coedffranc	3,518.77	31.58	3,550.35	3,550.35
Crynant	666.46	3.13	669.59	669.59
Dyffryn Clydach	1,085.25	8.73	1,093.98	1,093.98
Glynneath	1,362.69	1.19	1,363.88	1,363.88
Neath	6,433.29	8.84	6,442.13	6,442.13
Onllwyn	359.34	4.63	363.97	363.97
Pelenna	395.67	0.00	395.67	395.67
Resolven	720.11	0.00	720.11	720.11
Seven Sisters	618.96	1.19	620.15	620.15
Tonna	831.81	0.97	832.78	832.78
Cilybebyll	1,874.83	0.00	1,874.83	1,874.83
Cwmllynfell	374.15	0.00	374.15	374.15
Gwaun Cae Gurwen	1,310.98	2.91	1,313.89	1,313.89
Pontardawe	2,434.84	30.61	2,465.45	2,465.45
Ystalyfera	1,568.49	0.00	1,568.49	1,568.49