

CABINET	AGENDA ITEM No. 4
21 JANUARY 2013	PUBLIC REPORT

Cabinet Member(s) responsible:	Cllr David Seaton	
Contact Officer(s):	John Harrison, Executive Director Strategic Resources Steven Pilsworth, Head of Strategic Finance	Tel. 452520 Tel. 384564

COUNCIL TAXBASE AND BUSINESS RATES 2013/14

R E C O M M E N D A T I O N S	
FROM : Executive Director Strategic Resources	Deadline date :
Cabinet is requested to:	
<ol style="list-style-type: none"> 1. Endorse the calculation of the Council Tax Base for 2013/14 at a level of 50,158 B and D equivalent properties; 2. Note the estimated Collection Fund deficit as at 31st March 2013 of £351,614; and 3. Approve the use of the provisional National Non Domestic Rates 1 as the basis of the final return for 2013/14 and delegate to the Executive Director Strategic Resources responsibility for approving and returning the final return to the Secretary of State by 31st January 2013. 	

1. ORIGIN OF REPORT

- 1.1 This report forms part of the preparation for setting the council's budget. It needs to be considered so that figures for the tax base, the Collection Fund and the amount of business rates to be collected can be used in setting the Council Tax and notified to other affected authorities.

2. PURPOSE AND REASON FOR REPORT

- 2.1 This report is before Cabinet to consider under its delegated function No 3.2.7. 'to be responsible for the council's overall budget and determine action required to ensure that the overall budget remains within the total cash limit'.

3. TIMESCALE

Is this a Major Policy Item/Statutory Plan?	Yes (Part of budget setting)	If Yes, date for relevant Cabinet Meeting	21 January 2013
Date for relevant Council Meeting	6 March 2013	Date for submission to Government department	11 March 2013

4. INFORMATION RELEVANT TO DECISIONS REQUIRED

Council Tax Base Calculation 2013/14 (Annex A)

- 4.1 The Council Tax Base calculation is part of the budget process. The gross tax base for 2013/14 is estimated at 58,434 Band D equivalents. This is reduced by 1.5% to allow any in year variation from the estimates e.g. for properties not being built or occupied, additional discounts being available or for losses on collection, to give a net council tax base of 57,558 which is 1.6% more than the equivalent taxbase for 2012/13 of 56,651.

- 4.2 The calculations have changed for 2013/14 to reflect the changes to the funding of council tax benefits which effectively reduces the taxbase used for setting and collecting the council tax.
- 4.3 As part of the budget process for 2013/14 the council is also making changes by removing a number of discounts, the main ones being for empty properties and second homes, this has the effect of increasing the taxbase.
- 4.4 The Final taxbase for 2013/14 has therefore reduced to 50,158 and has been calculated in accordance with regulations to account for the receipt of council tax support grant, the introduction of a local council tax benefit system, removing the discounts and other minor adjustments.
- 4.5 The figure of 50,158 Band D equivalents reflects the best estimate, based on the latest factual position. The regulations provide for the Billing Authority's records to be calculated on data as at 30 November 2012, together with a forecast of any changes arising after that date until the end of the relevant financial year, in this case, 31 March 2014.

Collection Fund

- 4.6 The Collection Fund deficit as at 31st March 2013 has been estimated to be £351,614 and this amount is shared between the Council, the Police and the Fire and Rescue authority in proportion to the demands made on the collection fund in the relevant year.
- 4.7 The deficit is used by each of these bodies in setting its budget for the year following the resultant deficit and on this basis the Council have included £291,569 in its budget proposals for 2013/14. The deficit attributable to the Police is £44,814 and to the Fire Authority is £15,231 and these amounts will need to be taken into account in the preparation of those bodies' 2013/14 revenue budgets. These figures are provided for information as the Executive Director Strategic Resources will make the formal calculation on 15th January 2013 and notify the relevant bodies at that time.

Calculation of Non-domestic rate income, relevant shares and notification (NNDR1)

- 4.8 The new system of local government finance which allows local authorities to retain 50% of the total non domestic rates collected nationally requires by virtue of the Non-Domestic Rating (Rates Retention) Regulations 2012, regulation 5(1) (a)-(d) a billing authority to make certain calculations and notify relevant bodies by 31st January each year.
- 4.9 The calculations in question are the total non domestic rate income for the year, the central share and the shares attributable to precepting authorities. In addition the billing authority must notify the Secretary of State and the relevant precepting authorities of the final amounts by 31st January 2013. The provisional NNDR1 was returned by the 7th January 2013 as was required and a copy is attached at Annex B.
- 4.10 The NNDR1 form is completed on the basis of regulations and guidance and it is a requirement that it is signed by the Council's chief financial officer. The form includes all the relevant information required by the regulations and effectively provides the calculations and notification to the Secretary of State.

5. CONSUTLATION

- 5.1 No external consultation has been undertaken.

6. ANTICIPATED OUTCOMES

- 6.1 That Cabinet endorses the calculation of the Council Tax Base, notes the deficit on the collection fund, approves the provisional NNDR1 as the basis for the final return for 2013/14 and delegates the approval and notification requirements for the final NNDR1 for 2013/14 to the Executive Director Strategic Resources.

7. REASONS FOR RECOMMENDATIONS

- 7.1 The Council Tax Base could be set at a higher or lower level. However, this could have the effect of either inflating unnecessarily the amount of Council Tax to be set or setting the tax at a level insufficient to meet the Council's budget requirements. A similar position could arise if the surplus or deficit were set at a higher or lower level.
- 7.2 The calculation and return of the information included in the NNDR1 is a statutory requirement which can be formally delegated to an officer.

8. ALTERNATIVE OPTIONS CONSIDERED

- 8.1 None required at this stage.

9. IMPLICATIONS

- 9.1 This report does not have any implications effecting legal, human rights act or human resource issues.

10. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985):

Local Government Finance Act 1992

Local Government Act 2003

The Local Authorities (Calculation of Council Tax Base) (Amendment) (England) Regulations 2003

The Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003.

Council Tax Banding List

PETERBOROUGH CITY COUNCILCOUNCIL TAX BASE FOR TAX SETTING PURPOSES 2013/14

Parish Council	Number of Properties on Valuation List in Bands									TAXBASE		FINAL
	A	B	C	D	E	F	G	H	TOTAL	GROSS	NET	TAXBASE
Ailsworth	9	21	99	40	50	30	7	0	256	242.28	238.64	230.34
Bainton	8	8	9	27	22	19	35	1	129	145.86	143.67	143.71
Barnack	76	104	29	90	80	34	36	1	450	413.08	406.88	377.52
Bretton	3836	639	296	288	194	138	19	1	5411	3645.78	3591.09	3012.24
Castor	52	106	31	58	49	46	35	18	395	380.59	374.89	357.03
City (non-parished)	23245	13214	8774	3521	1479	559	250	16	51058	35884.38	35346.12	30012.27
Deeping Gate	0	22	33	48	46	38	15	0	202	214.97	211.75	208.11
Etton	4	17	8	13	2	8	5	0	57	54.09	53.28	51.07
Eye	777	395	536	223	115	31	14	0	2091	1559.07	1535.68	1382.24
Glinton	129	148	112	99	104	63	32	1	688	624.04	614.68	594.35
Hampton	427	1038	816	1247	771	88	10	1	4398	3715.57	3659.83	3322.28
Helpston	32	90	89	70	80	25	22	0	408	384.63	378.86	371.58
Marholm	1	20	9	12	13	10	10	1	76	77.09	75.94	75.37
Maxey	29	46	39	37	51	57	36	0	295	309.89	305.24	292.35
Newborough and Borough Fen	134	153	249	118	42	26	9	0	731	604.35	595.28	571.05
Northborough	40	177	154	82	70	42	11	1	577	514.45	506.73	488.31
Orton Longueville	2335	1299	515	348	223	102	72	3	4897	3505.04	3452.47	2984.02
Orton Waterville	1559	794	652	540	586	235	78	2	4446	3575.73	3522.09	3230.04
Peakirk	17	22	35	41	22	32	9	0	178	174.83	172.21	172.16
Southorpe	0	0	6	10	14	12	15	1	58	72.56	71.47	73.46
St Martins Without	1	3	2	4	0	3	2	2	17	19.19	18.91	19.46
Sutton	0	0	0	7	6	23	12	2	50	69.11	68.07	69.09
Thorney	260	390	161	122	55	46	27	0	1061	839.69	827.09	765.33
Thornhaugh	3	21	15	9	17	10	12	2	89	92.93	91.53	88.44
Ufford	17	3	7	7	19	32	19	3	107	123.37	121.52	121.31
Upton	0	14	0	4	2	3	2	0	25	24.11	23.75	22.57
Wansford	6	28	23	24	37	56	40	0	214	246.57	242.87	239.98
Wittering	784	248	66	32	4	2	3	4	1143	753.72	742.42	723.11
Wothorpe	2	4	18	21	17	20	46	7	135	167.41	164.90	159.32
Totals	33783	19024	12783	7142	4170	1790	883	67	79642	58434.39	57557.88	50158.11
2012/2013	33712	18628	12575	7030	4109	1768	852	67	78741	57513.35	56650.65	



Department for
Communities and
Local Government

**NATIONAL NON-DOMESTIC RATES RETURN 1
NNDR1 2013-14**

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

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

Please check the figures shown in the cells with a blue border and enter your own figures if you disagree with those suggested.

**A provisional version of the form should be returned to the Department for Communities and Local Government by
Monday 7 January 2013**

The final version of this form, including a signed copy, must also be sent to the Department for Communities and Local Government by
Thursday 31 January 2013

Select your local authority's name from this list:

Pendle
Peterborough
Plymouth
Poole
Portsmouth
Preston

Check that this is your authority :

Peterborough

Check that this is your E Code :

E0501

Local authority contact name :

David Moss

Telephone number of local authority contact :

01733 452218

Fax number for local authority contact :

01733 452579

E-mail address of local authority contact :

lbsystems@peterborough.gov.uk

Ver 1.3

1. Number of hereditaments on the rating list on 30 September 2012		5,549
2. Aggregate rateable value on the rating list on 30 September 2012		£ 227,005,535
GROSS CALCULATED RATE YIELD		
3. Enter line 2 x small business non-domestic rating multiplier (0.462)		£ 104,876,557.17
MANDATORY RELIEFS		
Small business rate relief		
		£
4. Additional yield generated to finance the small business rate relief scheme		1,854,304.58
5. Cost of small business rate relief for properties within billing authority area		2,575,116.48
6. Net cost of the small business rate relief (Line 5 minus Line 4)		720,811.90
7. Cost of relief to charities		4,818,117.03
8. Cost of relief to Community Amateur Sports Clubs		53,882.40
9. Cost of relief for rural general stores, post offices, public houses, petrol filling stations and food shops		13,122.07
10. Cost of relief for partly occupied premises		0.00
11. Cost of relief for empty premises		1,319,510.33
12. Total mandatory reliefs (Sum of lines 6 to 11)		6,925,443.73
DISCRETIONARY RELIEFS		
13. Cost of relief to charities		259,915.52
14. Cost of relief to non-profit making bodies		5,004.37
15. Cost of relief to Community Amateur Sports Clubs		2,531.62
16. Cost of relief for rural general stores, post offices, public houses, petrol filling stations and food shops		5,192.32
17. Cost of relief to other rural businesses		0.00
18. Other Section 47 reliefs (Localism Act discounts)		0.00
19. Total discretionary reliefs (Sum of lines 13 to 18)		272,643.83
20. Gross Rate Yield after reliefs (Line 3 minus lines 12 & 19)		97,678,469.61
21. Estimate of 'losses in collection'		1,074,463.17
22. Allowance for Cost of Collection		275,536.62
23. Special Authority Deductions - City of London Offset		0.00

Ver 1.3

Section 2

Enterprise Zones

24. Estimated level of discount to be awarded in 2013-14		£	0.00
25. Estimated value of non-domestic rates in the Enterprise Zone area in 2013-14			
26. Enterprise Zone baseline			
27. Total estimated value of business rates to be retained in 2013-14 (Line 25 minus line 26)			0.00

New Development Deals

28. Estimated value of non-domestic rates in the New Development Deals area in 2013-14			
29. New Development Deals baseline			
30. Total estimated value of business rates to be retained in 2013-14 (Line 28 minus line 29)			0.00

Renewable Energy Schemes

31. Total estimated value of business rates to be retained in 2013-14			
32. Net Rate Yield excluding transitional arrangements and rate retention (Line 20 minus the sum of lines 21 to 23, 27, 30 & 31)			96,328,469.82

Rate retention adjustments

33. Estimate of the change in rateable value between 1 October 2012 and 30 September 2013			-2,270,055.00
34. Estimate of the change in receipts as a result in the change in rateable value (line 33 times the multiplier)			-1,048,765.41

This equates to a percentage change of % -1.00

35. Local authority's estimate of adjustment due to appeals			4,883,923.48
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36. Net Rate Yield excluding transitional arrangements but after rate retention adjustments (Line 32 plus lines 34 and minus line 35)			90,395,781.00
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Section 3

Transitional arrangements

37. Addition revenue received because reduction in rates have been deferred	113,687.11		
38. Revenue foregone because increase in rates have been deferred	1,582,919.18		
39. Net cost of transitional arrangements (Line 38 minus line 37)			1,469,232.07
40. Net Rate Yield after transitional arrangements and rate retention (Line 36 minus line 39)			88,926,549.00

NNDR Summary for : Peterborough

These figures show the percentage shares of the NNDR you estimate your authority will collect in 2013-14. They are based on line 36. See the *Tier Split* tab for full information

Amount of NNDR to be paid to central government	£	45,197,891.00
Amount to be retained by Peterborough under the rates retention scheme		44,293,933.00
Amount to be passed to Cambridgeshire Fire Authority		903,958.00

Certificate of Chief Financial Officer

I certify that the entries in lines 3, 12, 19, 20, 36, 39 and 40 of this form are the best I can make on the information available to me and that the figures given in lines 1 and 2 used in the calculating the amount shown in lines 36 and 40 are, to the b

Chief Financial Officer :

Date :