

## ISLE OF ANGLESEY COUNTY COUNCIL

<b>REPORT TO</b>	<b>THE EXECUTIVE</b>
<b>DATE</b>	<b>2 DECEMBER 2013</b>
<b>SUBJECT</b>	<b>THE COUNCIL TAX BASE</b>
<b>PORTFOLIO HOLDER(S)</b>	<b>COUNCILLOR HYWEL EIFION JONES</b>
<b>LEAD OFFICER(S)</b>	<b>CLARE WILLIAMS HEAD OF FUNCTION (RESOURCES)</b>
<b>CONTACT OFFICER</b>	<b>GERAINT JONES (Ext 2651)</b>

### **Nature and reason for reporting**

Determination of the Council Tax Base for 2014 – 2015.

### **A – Introduction / Background / Issues**

The Local Authorities (Calculation of Tax Base) Regulations 1995 (Wales) (SI 1995/2561) (as amended) require the billing authority to calculate the Council Tax base for its area, and for different parts of its area if required. These amounts must be notified to precepting and levying bodies by 31 December 2013. This year the Welsh Government has requested the information for Revenue Support Grant setting purposes by 8 November 2013.

Until 2004, this calculation was determined by the County Council. This function has now been removed from the list of functions reserved for the full Council. Decisions relating to discounts remain the responsibility of the County Council rather than the Executive.

The calculations have been carried out according to guidelines based on the number of properties in various bands on the valuation list as at 31 October 2013 and applying discounts and exemptions (Appendix A).

The Council has the discretion, under regulations made under Section 12 of the Local Government Finance Act 1992 and, subsequently, under the Local Government Act 2003, to set discounts for prescribed classes of dwellings (mainly second homes and holiday homes (Classes A and B)). When this was introduced the Council decided to set a discount of nil for both prescribed classes A and B and this has been confirmed annually. In March 2007, the Council, on the recommendation of the Executive, also set a discount of nil for Prescribed Class C (certain types of empty property) for the first time.

The calculations in Appendix A are based on discounts of nil being confirmed for Classes A, B and C for 2014-2015.

### **B – Considerations**

As a consequence of Welfare Reform, a major change was introduced in 2013-14 in respect of Council Tax support. From 2013-14, the Welsh Government introduced the new Local Council Tax Reduction Scheme which was approved by the Assembly with regard to 2013-14 only. For 2014-15 the Welsh Government has laid new Council Tax Reduction Scheme regulations in the Assembly on 4 November 2013. They will be debated by the Assembly in Plenary Session on 26 November 2013 and, if approved, will come into force on 27 November 2013 and will apply for 2014-15 only.

As for 2013-14, the reduction scheme for 2014-15 will be a local scheme grant funded by the Welsh Government. Members will recall, the scheme for 2013-14 was designed to cost less than the original UK national scheme and an all Wales Scheme initially provided funded support at approximately 83% of the previous UK national scheme. The tax base set by the Executive on 19 November 2012 took into account that approximately 5,000 additional bills would be sent as a consequence, at an average of £180 each and that a proportion of those bills would not be recoverable. In calculating the tax base for 2013-14, the assumption for non-collection was increased from 1.5% to 2.5%.

Members will further recall, the Welsh Government announced (after Councils had set their tax bases) that they would meet the cost of the previous UK national scheme in full\* for 2013-14. 100% reduction could then be awarded removing the need to produce approximately 5,000 additional bills. For 2014-15, the Welsh Government has again decided to meet the cost of the previous UK national scheme in full\* and, consequently, in calculating the tax base for 2014-15 the assumption for non-collection has been decreased from 2.5% to 1.5%. The proposed decrease is consistent with the plans of the North and Mid-Wales Authorities and with likely assumptions across Wales.

\*additional costs due to caseload and Council Tax increases for 2013-14 and 2014-15 will fall on local councils.

#### **Other options and reason/s for rejection**

Determining the Tax Base has to be in accordance with regulations and guidance.

#### **C – Implications and Impacts**

<b>1</b>	<b>Finance / Section 151</b>	author
<b>2</b>	<b>Legal / Monitoring Officer</b>	n/a
<b>3</b>	<b>Human Resources</b>	n/a
<b>4</b>	<b>Property Services</b>	n/a
<b>5</b>	<b>Information and Communications Technology (ICT)</b>	n/a
<b>6</b>	<b>Equality</b>	n/a
<b>7</b>	<b>Anti-poverty and Social</b>	n/a
<b>8</b>	<b>Communication</b>	n/a
<b>9</b>	<b>Consultation</b>	n/a
<b>10</b>	<b>Economic</b>	n/a
<b>11</b>	<b>Environmental</b>	n/a
<b>12</b>	<b>Crime and Disorder</b>	n/a
<b>13</b>	<b>Outcome Agreements</b>	n/a

#### **CH – Summary**

The Band D equivalent or "relevant amount" has been adjusted by a provision for non-collection of 1.5%. Dwellings owned by the Ministry of Defence are added to give the figures shown below. The total proposed tax base for 2014-2015 is 30,070.64. This compares with 29,662.00 in respect of 2013-14 which is an increase of 1.38%.

There are two reasons for the change:

- the normal, annual increase for expected completion and occupation of new properties, adjusted for exemptions and discounts – an increase of 0.38%.
- the decrease of 1% on the assumption of non-collection.

## D - Recommendation

I recommend that the Executive makes the following decisions:-

1. That the calculation by the Head of Function (Resources) for the calculation of the Council Tax Base for the whole and parts of the area for the year 2014-2015 is approved.
2. That, in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1995 (Wales) (SI 1995/2561) (as amended), the amounts calculated by Isle of Anglesey County Council as its tax base for the year 2014-2015 shall be 30,070.64 and for the parts of the area listed below shall be:-

Amlwch	1,460.08	Llaneilian	542.85
Beaumaris	1,048.24	Llannerchymedd	498.04
Holyhead	3,762.56	Llaneugrad	176.50
Llangefni	1,898.57	Llanfair Mathafarn Eithaf	1,759.28
Menai Bridge	1,398.36	Cylch y Garn	398.93
Llanddanielfab	363.25	Mechell	527.92
Llanddona	361.20	Rhosybol	458.98
Cwm Cadnant	1,124.69	Aberffraw	282.97
Llanfair Pwllgwyngyll	1,284.66	Bodedern	406.47
Llanfihangel Esceifiog	660.48	Bodffordd	411.53
Bodorgan	432.28	Trearddur	1,210.53
Llangoed	617.47	Tref Alaw	249.63
Llangristiolus & Cerrigceinwen	596.62	Llanfachraeth	222.83
Llanidan	411.33	Llanfaelog	1,204.40
Rhosyr	959.24	Llanfaethlu	270.30
Penmynydd	231.78	Llanfair-Yn-neubwll	553.62
Pentraeth	543.73	Valley	966.04
Moelfre	604.42	Bryngwran	346.72
Llanbadrig	646.16	Rhoscolyn	337.94
Llanddyfnan	486.26	Trewalchmai	353.78

**NAME OF AUTHOR OF REPORT: GERAINT JONES**  
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**DATE: 6 NOVEMBER 2013**

### Appendices:

Appendix A – Calculation of Local Tax Base 2014-2015

### Background papers

Welsh Government Council Tax Dwellings (CT1) 2014-15 for Guidance

Welsh Government Draft Council Tax Reduction Scheme Regulations 2014-15

