

TONBRIDGE & MALLING BOROUGH COUNCIL
FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

13 January 2016

Report of the Director of Finance and Transformation

Part 1- Public

Matters for Information

1 COUNCIL TAX AND BUSINESS RATES UPDATE REPORT

A report detailing recent developments in respect of council tax and business rates.

1.1 Collection of council tax and business rates

1.1.1 As at 30 November 2015, the collection rate for council tax stood at 74.38%. For the same period in the year 2014/15, the collection rate was 74.04%.

1.1.2 As at 30 November 2015, the collection rate for business rates stood at 75.19%. For the same period in the year 2014/15, the collection rate was 76.31%.

1.1.3 I shall update Members, as to the collection rates for 2015/16, as at 31 December 2015, for both council tax and business rates, on the evening of the meeting.

1.1.4 In respect of the customers receiving a council tax reduction (CTR), approximately 91% of the council tax due for 2013/14 has been paid, and for 2014/15, 85%. For the current financial year, approximately 61% has been paid compared to 57% for the comparative period in the previous financial year.

1.1.5 I am also pleased to advise that the number of recovery notices issued this financial year is still lower than last year, with approximately 12% fewer notices being sent compared to 2014/15 (see **ANNEX 1**).

1.2 Autumn Statement

1.2.1 In respect of business rates specifically, the Chancellor announced the doubling of the Small Business Rate Relief will be extended for a further 12 months until 31 March 2017.

1.3 Council Tax Base for the year 2016/17

1.3.1 I attach, at **ANNEXES 2 and 3**, the council tax base for the financial year 2016/17. This shows that there are 47,629.13 Band D equivalent properties within the Borough.

- 1.3.2 Members should note that, compared to the tax base for the year 2015/16 (46,900.52 Band D equivalent properties), there has been an increase of approx. 1.5% in the overall tax base for the Borough.
- 1.3.3 This increase is a combination of fewer taxpayers claiming Council Tax Reduction and growth in the number of new properties.
- 1.3.4 The Council is required to set its tax base for the forthcoming financial year, and notify it to the major precepting authorities, during the period 1 December to 31 January. Members will recall that, at the time of reporting the tax base for the year 2005/06, they agreed to give me delegated authority to calculate the tax base for subsequent years.

1.4 Legal Implications

- 1.4.1 Nil.

1.5 Financial and Value for Money Considerations

- 1.5.1 The percentage of council tax and business rates collected during the year impacts on the Council's finances and, consequently, on the level of council tax for future years.

1.6 Risk Assessment

- 1.6.1 Nil.

Background papers:

Nil

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