

# Council Tax

The financial climate continues to present challenges in maintaining service delivery with reduced Central Government funding and this is reinforced by the fact that the current Council Tax revenue now accounts for over 72% of Northamptonshire County Council's Net Revenue Budget. Consequently, there is continued pressure to require Local Authorities to be self-determinant with increased reliance and dependency on increases in tax base growth and maximum collection rates.

The below Council Tax bands have been calculated by taking the 2018-19<sup>1</sup> Council Tax band prices and increasing them by a proposed 4.99%.

<b>Council Tax Band</b>	<b>Council Tax £</b>	<b>Adult Social Care Precept £</b>	<b>Total £</b>
A	764.26	59.81	824.07
B	891.63	69.78	961.41
C	1,019.01	79.75	1,098.76
D	1,146.38	89.72	1,236.10
E	1,401.13	109.66	1,510.79
F	1,655.88	129.60	1,785.48
G	1,910.64	149.53	2,060.17
H	2,292.76	179.44	2,472.20

## District Precepts

The income anticipated in 2019-20 from Council Tax precepts total £303.3m. This reflects the latest estimated numbers received from the districts and boroughs for the Council Tax Base.

The precepts calculated for each district and boroughs, based on a Band D Council Tax of £1,236.10, are set out below.

<b>District</b>	<b>Tax Base (Number of Band D equivalent dwellings)</b>	<b>Total 2019-20 Precept £</b>
Corby	19,594.00	24,220,143
Daventry	31,609.55	39,072,565
East Northamptonshire	31,860.00	39,382,146
Kettering	32,730.00	40,457,553
Northampton	68,418.55	84,572,170
South Northamptonshire	36,067.10	44,582,542
Wellingborough	25,113.00	31,042,179
<b>Total</b>	<b>245,392.20</b>	<b>303,329,298</b>

<sup>1</sup> Note: Responsibility for the Northamptonshire Fire & Rescue Service transferred from the County Council to the Office of the Police, Fire and Crime Commissioner (OPFCC) during 2018-19.

Therefore the Fire & Rescue Service will form part of the OPFCC's Council Tax precept for 2019-20. The County Council's 2018-19 Council Tax figures have therefore been restated to remove the amount attributable to the Fire & Rescue Service, prior to applying the proposed 4.99% increase for 2019-20.

## Tax Base

In order to fully calculate the effects of Council Tax yield, movements in the tax base also need to be considered. The tax base is used to establish the total tax due, and takes into account growth in the number of chargeable properties and changes to discounts.

The final Council Tax base figures for 2019-20 have been confirmed by Districts and Boroughs. The Final Budget figure represent an increase compared with the estimates given for the Draft Budget and re-enforces the estimated growth in the Tax Base data used for 2019-20. There has been a 2.25% tax base growth applied to future years which will be reviewed annually but continues the upward trend of recent years.

The impact of changes in the current tax base is summarised in the table below.

Year	2019-20 £m	2020-21 £m	2021-22 £m	2022-23 £m
Council Tax Income	303.3	319.4	336.4	355.1
Collection Fund Balance	7.7	5.0	3.0	3.0
<b>Total Council Tax Income</b>	<b>311.0</b>	<b>324.4</b>	<b>339.4</b>	<b>358.1</b>

**Note:** Assumes annual Tax Base growth of 2.25% in future years.

Overall the Council Tax income is estimated to increase by £47.1m over the medium term.