

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 65% of Northamptonshire County Council's total Net 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 current 2016-17 Council Tax band prices and increasing them by a proposed 4.98%. This increase includes a Social Care Precept of 3% which has been applied across all years of the plan in line with the recommended levels announced within the (LGFS).

Council Tax Band	Council Tax £	Social Care £	Total £
A	741.25	36.48	777.73
B	864.79	42.56	907.35
C	988.32	48.65	1,036.97
D	1,111.87	54.72	1,166.59
E	1,358.95	66.88	1,425.83
F	1,606.03	79.04	1,685.07
G	1,903.12	91.20	1,994.32
H	2,223.74	109.44	2,333.18

District Precepts

The income anticipated in 2017-18 from Council Tax precepts total £273.4m. 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 £1,166.59, are set out below.

	Surplus(-) /Deficit from previous years £	2017-18 Tax Base (Band D Equivalents) £	Precepts on the District Councils' Collection Fund £
Corby	(210,403)	18,336.00	21,390,594.20
Daventry	(1,231,447)	29,857.91	34,831,939.20
East Northamptonshire	(687,238)	30,871.00	36,013,799.90
Kettering	(1,237,727)	31,234.00	36,437,272.10
Northampton	(1,902,000)	65,709.29	76,655,800.60
South Northamptonshire	(476,325)	34,474.00	40,217,023.70
Wellingborough	(152,000)	23,849.00	27,822,004.90
Total	(5,897,140)	234,331.20	273,368,434.60

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 2017-18 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 2% growth in the Tax Base data used for 2018-19. There has been a 2.00% tax base growth applied to future years which will be reviewed annually but continues the upward trend in recent years.

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

Year	2017-18	2018-19	2019-20	2020-21
	£m	£m	£m	£m
Council Tax Income	273.37	292.72	304.49	316.73
Collection Fund Balance	5.89	5.6	2.8	2.8
Total Council Tax Income	279.26	298.32	307.29	319.53
Council Tax Income In Draft Budget	274.05	287.70	301.3	310.28
Change Since Draft Budget (- =Decrease)	5.21	10.6	5.99	9.25

Table 1: Council Tax Funding levels based on Tax Base and Council Tax increase assumptions

Note 1: Assumes annual Tax Base growth of 2% in future years.

Note 2: figures include the Adult Social Care Precept of 2% in 2016-17 and 3% in 2017-18 and 2018-19.

Overall the Council Tax income his estimated to increase by £40.3m over the medium term. This includes the inclusion of the Adult Social Care Precept of 2% in 2016-17 and 3% for 2017-18 and 2018-19.