Reason for Decision

This report presents to Cabinet the Council Tax Tax Base and provisional Non-Domestic Rates (NDR) Tax Base forecast for 2020/21 which will underpin the forthcoming Council Budget and Medium-Term Financial Strategy scheduled for consideration at Budget Council on 26 February 2020.

The report also seeks delegated authority to finalise the 2020/21 Non-Domestic Rates (Business Rates) forecast in order to reflect the information contained in the Local Government Finance Settlement for 2020/21 and up to date Non-Domestic Rates details to be submitted to Central Government via the annual NNDR 1 return by the statutory deadline of 31 January 2020.

Finally, the report seeks approval to delegate the final decision to join the pooling of Business Rates in 2020/21 with other Greater Manchester Districts, Cheshire East & Cheshire West and Chester Councils. Oldham has pooled Business Rates with neighbouring Authorities since 2015/16. The receipt of the Provisional Local Government Finance Settlement marks the start of a 28-day period for confirming Oldham’s membership within the 2020/21 Business Rates Pool and the timing may not align with future Cabinet meetings.

Members are asked to note that the General Election of 12 December 2019 has affected the timetable for budget setting and related activities across all billing and precepting authorities. Delays to the publication of information such as the Provisional Local Government Finance Settlement may impact on billing authorities’ ability to submit government returns (such as the NNDR 1) and notify preceptors of tax base information on or before normal statutory deadlines. This, in turn, may impact on the timetable for scrutinising and considering budget reports at
Committees and meetings leading up to Budget Council planned for 26 February 2020.

**Executive Summary**

This report sets out information on the Council Tax Tax Base for 2020/21 using the most up to date valuation list and all other information and estimates available.

The total number of chargeable properties included in the Council Tax Tax Base calculation in Oldham for 2020/21 is 95,071. This figure is reduced to 86,290.25 after allowing for discounts and exemptions and translates to the equivalent of 68,454 Band D properties. After applying adjustments for the Local Council Tax Support scheme offset by the additional charging for empty properties and an anticipated increase in the number of properties to be included in the valuation list over the forthcoming year, the number of Band D equivalent properties reduces to 59,446. The final Tax Base after the application of the anticipated collection rate of 97% is 57,663 which is an increase of 970 over the Council Tax Tax Base for 2019/20 of 56,693.

The 2020/21 Tax Bases for Saddleworth and Shaw and Crompton Parish Councils of 8,707 and 5,494 respectively, have been calculated using the same methodology.

Statute requires local billing authorities to prepare and submit to the Ministry of Housing, Communities and Local Government (MHCLG) a locally determined and approved Business Rates forecast through the NNDR 1 return by 31 January each year. This forecast will be used to determine the 2020/21 “demand” and payment schedule for Business Rates between Oldham Council and the Greater Manchester Combined Authority. Being a participant in the Greater Manchester 100% Rates Retention Pilot Scheme (now extended by at least a further year until 31 March 2021) means the Council no longer pays a share of Business Rates to Central Government. Instead, Oldham currently retains 99% of the income with 1% being paid to the Greater Manchester Combined Authority for Fire and Rescue services.

The estimated rating income for 2020/21 attributable to Oldham Council is currently £50.547m. Delegation is sought to enable the Business Rates forecast to be updated to take account of the 2020/21 Local Government Finance Settlement and up to date Non-Domestic Rates information, enabling the submission to Central Government of the annual NNDR 1 return by the statutory deadline of 31 January 2020 to Central Government.

Members will recall that Oldham has pooled Business Rates revenues with other Greater Manchester districts and the two Cheshire Unitary Authorities since 2015/16 (Cheshire West & Chester joined the pool from 2016/17). The aim of pooling is to retain the benefits of any Business Rates growth within Greater Manchester for the benefit of the region. This report seeks approval to continue these arrangements into 2020/21 (subject to the notification of the 2020/21 Local Government Finance Settlement).

Traditionally, the Chancellor of the Exchequer delivers an autumn budget statement. On previous occasions, this has been used to announce policy changes to the business rates system and Members have been provided with updates on
those changes within previous tax base reports. However, due to the calling of the General Election for 12 December 2019, the Chancellor cancelled his autumn budget statement (originally planned for 6 November 2019) meaning no national policy changes to the business rates system for 2020/21 have been proposed.

Members should note however, that significant changes are proposed for the Retained Business Rates system from 1 April 2021. Changes include:

- A move to 75% rates retention nationally (increased from 50%) and the likely ending of the Greater Manchester 100% rates retention pilot scheme;
- The resetting of business rates baselines which may see locally retained growth fully or partially taken away from individual local authorities and redistributed through the funding formula;
- The implementation of recommendations from the fair funding review which could also impact on business rates baselines and the calculation of tariff payments and top up grants (designed to equalise the difference between an authority’s need for business rates revenue compared to what can be generated from local ratepayers);
- The revaluation of Business Rates leading to the national adjustment of rateable values and multipliers.

**Recommendations**

It is recommended that

1) Cabinet approves:

   a) The Council Tax Tax Base for 2020/21 at 57,663 Band D equivalent properties.

   b) The latest estimate for 2020/21 Business Rates revenue that is attributable to Oldham Council as being £50.547m.

2) Cabinet notes the Tax Bases for Saddleworth and Shaw and Crompton Parish Councils of 8,707 and 5,494 respectively.

3) Cabinet delegates the decision to vary the final Business Rates forecast and hence the Business Rates Tax Base, if required, to the Deputy Leader and Cabinet Member for Finance and Corporate Services in consultation with the Director of Finance.

4) Cabinet delegates to the Deputy Leader and Cabinet Member for Finance and Corporate Services in consultation with the Director of Finance, the final decision of the Council’s membership of the proposed Greater Manchester, Cheshire East & Cheshire West and Chester Councils Business Rates Pool for 2020/21 (subject to the information contained in the 2020/21 Local Government Finance Settlement).
Cabinet                                                                                         16 December 2019

Council Tax Tax Base and Non-Domestic Rates Tax Base Forecast 2020/21

1  Background

1.1 The Local Government Finance Act 1992 (as amended for the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012) requires the Council as the Billing Authority to calculate and approve the Council Tax Tax Base for 2020/21 based on the valuation list and other information and estimates available. The method of calculation is contained in the regulations.

1.2 This report presents for approval, Oldham Council’s Council Tax Tax Base for 2020/21 and the extracted Tax Bases for Saddleworth and Shaw & Crompton Parish Councils. This will enable Tax Base information to be made available to the two Parish Councils in addition to the Greater Manchester Combined Authority (GMCA) in relation to the major precepting functions.

1.3 The Council will use the Council Tax Tax Base for 2020/21 in setting the Council Tax and determining the level of Council Tax income for 2020/21.

1.4 Notification of the Council Tax Tax Base is provided to Major Precepting Authorities by the statutory deadline of 31 January 2020. The GMCA is responsible for determining two major precepts including the Mayoral Police and Crime Commissioner Precept and the Mayoral General Precept (including Fire and Rescue Services).

1.5 The Non-Domestic Rating (Rates Retention) Regulations 2013 set out a timetable for informing the Government and precepting Authorities of the Business Rates revenue calculation. The Council is required to submit a Government return (NNDR 1) by 31 January in the year prior to the financial year for which the calculation is being made. The return estimates the amount of Non Domestic Rate (NDR) that it is expected will be collected in the following financial year. Given the legislative changes introduced from April 2013 and the current 100% Business Rates Retention Pilot arrangements, the estimates now take on a higher profile as a result of the Council retaining a greater proportion of the business rates collected.

1.6 Consequently, the Council must now formally approve the NDR forecast in a manner similar to the Council Tax Tax Base.

2  Current Position

Collection Fund Forecast Outturn Position for 2019/20

2.1 The Collection Fund forecast outturn position is presented as part of the revenue monitoring reports considered by Cabinet throughout the year. As explained in paragraph 2.12 (below), it is exceptionally challenging to accurately forecast Business Rates revenues over the short to medium term. At this stage, for budget setting purposes and for the purpose of notifying the GMCA as major preceptor, the Collection Fund forecast outturn position for
both Council Tax and Business Rates for 2019/20 will be a surplus of approximately £1.1m of which Oldham Council’s share is £1.0m. This surplus will be available to support the revenue budget of the Council and the GMCA for 2020/21. However the statutory deadline by which preceptors must be notified of the 2019/20 Collection Fund surplus is 15 January 2020. Appropriate formal notification will be provided by the required due date.

**Calculation of the Council Tax Tax Base for 2020/21**

2.2 The Council Tax Tax Base determines the Council Tax revenue generated at a given collection rate, for each £1 of Council Tax levied. It is the estimated full year equivalent number of chargeable dwellings. This is expressed as the equivalent number of Band D dwellings with two or more liable adults.

2.3 In October each year the Government requires the submission of a return, the CTB1, and a version of this is used as the basis for the calculation of the Tax Base. Using this return, Appendix A shows the total number of dwellings on the valuation list in Oldham is 96,958. Allowing for exemptions, demolitions and disabled relief dwellings, this number reduces to 95,071 chargeable dwellings which are then allocated across the nine Council Tax Bands. Some of these chargeable dwellings receive discounts from Council Tax (e.g. dwellings occupied solely by students) whilst single person households pay only 75% of the charge otherwise payable. The number of dwellings is therefore adjusted to reflect these discounts and exemptions, giving a figure of 86,290.25 dwellings.

2.4 The nine Council Tax Valuation bands provide the basis for the Tax Base calculation, with the number of chargeable dwellings in each band being calculated through to its ‘Band D equivalent’. A bill for a Band A property is equivalent to 6/9 for that of a Band D property whilst a Band H property is equivalent to 2 times (18/9) of a Band D property. The application of the Band D equivalent calculation therefore reduces the Tax Base to 68,453.6.

2.5 A further adjustment is required to the Tax Base due to the Local Council Tax Reduction Scheme (LCTRS). The scheme replaced Council Tax Benefit and was introduced for the first time in 2013/14. The LCTRS is treated as a discount rather than a benefit and therefore reduces the Tax Base. The Council has chosen not to consult on changing the LCTRS for 2020/21 and therefore intends to maintain discounts at the 2019/20 level, with discount anticipated to continue to be capped at 85% of a Band A property.

2.6 The summarised method of calculating the 2020/21 Tax Base is shown in Appendix A. This shows that, taking the above issues into account, the Tax Base would be 59,446.4 at a 100% collection level but will be 57,663 at a collection rate of 97% (see paragraphs 2.7 to 2.8 below). The Tax Base has increased by 970 compared to the figure for 2019/20 (56,693), largely reflecting an increase in the number of new properties, the empty properties brought back into use and reductions in the numbers claiming Council Tax Reduction.
Estimated Collection Rate

2.7 A recent review of collection levels has been undertaken to inform the 2020/21 budget process. This review has been informed by:

- The impact of the LCTRS on Council Tax revenues. Evidence indicates that entitlement to benefit has been lower than initial projections and that collection levels remain in line with projections. This has influenced the Council’s decision not to consult on changing the LCTRS for 2020/21;
- Higher than expected level of Council Tax collection on properties affected by technical reforms (empty properties and second homes);
- The general economic climate and pressures on households to manage their finances which has led to an increase in the number of Council Tax payers falling into arrears;
- The success of initiatives to reduce non-payment.

2.8 In view of the above it is considered appropriate to anticipate a collection rate of 97% (unchanged compared to the 2019/20 collection rate). Nonetheless, the Council will continue to closely monitor the collection rate and tax base position to determine whether the roll out of full service Universal Credit has any impact on the Council Tax collection rate and Collection Fund position.

Parish Council Tax Bases

2.9 The Tax Base calculated for 2020/21 for the Parish Councils of Saddleworth and Shaw & Crompton are 8,707 and 5,494 respectively. This represents an increase for Saddleworth of 80 Band D equivalent properties and for Shaw & Crompton an additional 56 Band D equivalent properties when comparing totals to the Parish Tax Bases for 2019/20. The Tax Bases have been calculated on a basis consistent with those for the Borough as a whole.

2.10 The Council provides grant compensation to the two local Parish Councils for losses associated with the introduction of Local Council Tax Reduction Schemes in 2013/14. Whilst Central Government originally provided grant funding in 2013/14 to cover these losses, the funding was subsequently rolled into Revenue Support Grant and cut year on year. Between 2016/17 and 2019/20, the grant payable to Parish Council’s was scaled down to match continued reductions in Revenue Support Grant. As advised in the Tax Base report for 2019/20 (approved by Cabinet on 17 December 2018), grants payable to the Parish Councils will be maintained at 2019/20 levels. The amount of grant payable to each Parish for 2020/21 is set out in the table below.

<table>
<thead>
<tr>
<th>Parish Council</th>
<th>2020/21 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Saddleworth Parish Council</td>
<td>13</td>
</tr>
<tr>
<td>Shaw &amp; Crompton Parish Council</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total Parish Grant Payable</strong></td>
<td><strong>18</strong></td>
</tr>
</tbody>
</table>
2.11 Local billing authorities are required to prepare and submit to the MHCLG a locally determined and approved Business Rates forecast through the NNDR 1 return by the statutory deadline of 31 January each year. This forecast is used to determine the 2020/21 “demand” and payment schedule for Business Rates revenues between Oldham Council and the GMCA. The GMCA determines the Mayoral General Precept which includes Fire and Rescue functions for which it receives 1% of all Business Rates Revenues collected across Greater Manchester. Under the 100% Rates Retention Pilot scheme arrangements, Central Government does not receive a share of Business Rates revenues.

2.12 Business Rates are a highly complex and volatile tax and it is exceptionally difficult to forecast movements over the short to medium term with great accuracy. Since the change to the Business Rates regime in 2013/14 and the revaluation exercise undertaken by the Valuation Office Agency (effective from 1 April 2017), much more uncertainty has been introduced into the setting of Council budgets as the tax base is prone to significant changes and can fluctuate for many reasons; the most common of which are listed below:

- Changes in liability resulting from a change in occupancy;
- Appeals against rating decisions, the length of time it takes to conclude appeals and the requirement to make an assessment of the cost of appeals prior to settlement;
- Demolitions and the point at which properties are removed from the rating list;
- New builds and the point at which rateable occupation is triggered;
- Changes in building use and alterations to building size or layout;
- Changes in entitlement to mandatory and/or discretionary reliefs;
- Action taken by property owners/occupiers to avoid full liability and maximise relief; particularly empty property and charitable relief;
- Changes in Council policy in relation to discretionary rate relief;
- Changes in the requirement to provide for doubtful debts.

2.13 Fluctuations in Business Rates income are also strongly linked to the performance of the wider economy. In an economic downturn there is a heightened risk of properties being left empty and lower levels of development activity. Conversely, when the economy is more buoyant, business activity and thereby rating income can increase.

2.14 The level and timing of appeals against a rateable value are perhaps the most significant factors that can have an impact on variability in yield. Appeals are dealt with by the Valuation Office Agency (VOA) and can date back many years. Recent information highlights that appeals covering around £42m of rateable value remain unresolved. Total rateable value for the Oldham Billing Area is around £157m meaning appeals currently affect approximately 27% of the overall business rates tax base.

2.15 The Check, Challenge & Appeal process introduced by the VOA has tried to incorporate a degree of consistency to the appeals submission process whilst
simultaneously seeking to limit the number of ‘speculative’ claims. Indications suggest the revised process is significantly reducing the number of claims that reach the appeal stage. However, it is not clear whether the process is reducing the real number of appeals or simply causing delay. What is clear is that greater financial provision will need to be made for individual claims that reach the appeal stage as, having been through check and challenge, their probability of securing a rateable value reduction is much greater than under the previous arrangements. Furthermore, nationally, appeals that are currently being considered are effectively test cases that may set precedents which prompt a whole new wave of local appeals or straightforward rateable value reductions.

2.16 Recognising the challenges that this volatility presents, the Council has put in place arrangements to monitor Business Rates liability on a monthly basis. The output from these monitoring arrangements shows that net liability tends to reduce as the year progresses from each April. These reductions are the result of:

- Reductions in gross rates payable as outstanding appeals are settled;
- Increases in mandatory and empty property relief as more claims are submitted and processed as the year progresses.

2.17 These trends/movements set against the base position form the basis of the forecast business rates outturn position for 2019/20 and forecast for 2020/21.

Greater Manchester (GM) 100% Business Rates Retention Pilot Scheme

2.18 On 1 April 2017, the GMCA, Oldham Council and the nine other GM districts commenced a pilot scheme for the 100% local retention of Business Rates. Under the pilot scheme, additional rates income was initially offset by reductions in other funding streams such as Revenue Support Grant and Public Health Grant in exchange for the local retention of all future growth in Business Rates revenue (rather than just 50% as is the case with the national scheme of rates retention). The pilot scheme has delivered fiscal benefits for its participants. Oldham’s share of these benefits supported the 2019/20 budget by £1.7m and is forecast to support the 2020/21 budget by a further £1.4m. The pilot scheme was originally expected to cease at the end of 2019/20 but has been extended for a further year to cover 2020/21 due to the Government delaying the introduction of key business rates reforms until at least 1 April 2021 (further details are set out below).

Business Rates Reform

2.19 Traditionally, the Chancellor of the Exchequer delivers an autumn budget statement. On previous occasions, this has been used to announce policy changes to the business rates system and Members have been provided with updates on those changes within previous tax base reports. However, due to the calling of the General Election for 12 December 2019, the Chancellor cancelled his autumn budget statement (originally planned for 6 November 2019) meaning no national policy changes to the business rates system for 2020/21 have been proposed.
2.20 Members should note however, that significant changes are proposed for the Retained Business Rates system from 1 April 2021. Changes include:

- A move to 75% rates retention nationally (increased from 50%) and the likely ending of the Greater Manchester 100% rates retention pilot scheme;
- The resetting of business rates baselines which may see locally retained growth fully or partially taken away from individual local authorities and redistributed through the funding formula;
- The implementation of recommendations from the fair funding review which could also impact on business rates baselines and the calculation of tariff payments and top up grants (designed to equalise the difference between an authority’s need for business rates revenue compared to what can be generated from local ratepayers);
- The revaluation of Business Rates leading to the national adjustment of rateable values and multipliers.

GM, Cheshire East & Cheshire West and Chester Councils Business Rates Pool 2020/21

2.21 Members will recall that Oldham has participated in Business Rates pooling since 2015/16. The aim of pooling is to retain the benefits of any Business Rates growth within Greater Manchester for the benefit of the region. For 2020/21, members of the pool for Business Rates provisionally includes all ten GM districts and Cheshire East and Cheshire West & Chester Councils.

2.22 The business rates pooling proposition is such that no Local Authority should be worse off by pooling than it would be if it did not pool. Therefore, if there is any growth in business rates as a result of the economic regeneration activity planned within the borough, the Council would be able to keep its share of that benefit also benefiting from a share in any levy payment that any other levy paying Authority in the pool would normally pay to Central Government.

2.23 The fact that Greater Manchester is piloting full Business Rates retention, suggests participating in Business Rates pooling is no longer necessary as there are no additional financial gains to be made. However, participating in such a pool enables Greater Manchester to retain any levy that would otherwise be payable to central government and to share in any business rates growth achieved outside of the 100% rates retention pilot scheme area (such as that achieved within the two Cheshire Council areas). A decision on membership cannot be made until the contents of the 2020/21 Provisional Local Government Finance Settlement have been examined and the impact understood. Confirmation of pool membership must be made within 28 days of the receipt of Provisional Local Government Finance Settlement information. It is therefore recommended that Cabinet delegates the final decision of the Council’s membership of the proposed Greater Manchester, Cheshire East and Cheshire West & Chester Business Rates Pool for 2020/21 to the Cabinet Member for Finance and Corporate Services in consultation with the Director of Finance subject to the contents of the 2020/21 Local Government Finance Settlement.
Grants in Lieu of Business Rates

2.24 It should be noted that the Council receives significant sums from Central Government as compensation for loss of Business Rates revenue resulting from previous national policy changes such as multiplier caps and the introduction of new business rates reliefs and discounts. These ‘Section 31’ grants for 2020/21 are currently forecast to be worth around £11.3m.

Future High Streets Fund/Town Deal Funds

2.25 The Council has received over £0.3m to develop proposals to bid for further capital funds to invest in Oldham Town Centre. Such investment may boost future business rates revenue growth by investing in town centre infrastructure, including increasing access to high streets and supporting redevelopment and densification around high streets. These funds aim to stimulate heritage-based regeneration, restore historic high streets to boost retail and bring properties back into use as homes, offices and cultural venues.

2020/21 Business Rates Forecast – Conclusion

2.26 Having considered the issues above it is clear that many factors are outside the control of the Council. Central Government confirmation that Local Government will continue to be fully compensated for implementing policy announcements made within previous Budgets provides assurance for our short term forecasts assuming a net neutral financial impact. However, over the long term, the switch to more frequent revaluations and the ongoing results of Business Rates Retention are extremely difficult to assess. However, forecasts have been prepared on the basis of trends emerging from the monthly monitoring of business rates liability during 2019/20 whilst the announcement of the Provisional Local Government Finance Settlement is awaited.

2.27 For the purposes of formal decision making, Oldham Council’s share of the Business (Non-Domestic) Rates forecast for 2020/21 is presented at £50.547m. This represents the best estimate available at this time and is the assumption underpinning the 2020/21 budget estimates that are currently being reviewed and updated. However, assuming delegation is approved, the final Business Rates forecast for 2020/21 will be confirmed when preparing the submission of the Council’s NNDR 1 return in late January 2020. The calculation of the current forecast of £50.547m is summarised in the table below:

<table>
<thead>
<tr>
<th>Forecast Business Rates Yield</th>
<th>2020/21 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oldham Council Share (99%)</td>
<td>50,547</td>
</tr>
<tr>
<td>GMCA Share (for Fire and Rescue functions) (1%)</td>
<td>511</td>
</tr>
<tr>
<td>Total Forecast Yield</td>
<td>51,058</td>
</tr>
</tbody>
</table>
3 Options/Alternatives

3.1 The Council has little discretion in the calculation of the number of properties incorporated into the Council Tax Tax Base given the legislative framework that is in place. However, there is some discretion over-estimating the number of new properties that will be included on the Council Tax register during 2020/21. A prudent view has been taken in this regard. The main area for an alternative approach is over the level of assumed collection rate. An increase in the collection rate would boost the anticipated Council Tax income and a decrease in the rate would decrease income. The Council has chosen to maintain its 2019/20 collection rate at 97%. This decision has been influenced by a continuing and targeted focus on Council Tax collection rates.

3.2 The NNDR1 return generates the figures upon which the Business Rates Tax Base is prepared. It is not therefore appropriate to consider an alternative approach. However, as the figures included on the NNDR1 return on 31 January 2020 may vary from the estimated level, delegation is sought to allow the opportunity to revise the Business Rates forecast and approve a revised and more accurate position for budget setting.

4 Preferred Option

4.1 It is recommended that Members approve the Council Tax Tax Base of 57,663 and an estimate of the Business Rates Tax Base of £50.547m. Delegation to the Deputy Leader and Cabinet Member for Finance and Corporate Services in consultation with the Director of Finance is however sought for the final Business Rates Tax Base decision, the final estimated net business rate yield and ultimately the Council’s retained Business Rate income for 2020/21.

4.2 It is also recommended that Cabinet approves the Council’s membership of the GM, Cheshire East and Cheshire West and Chester Councils Business Rates pool for 2020/21, subject to the review of the outcome of the 2020/21 Local Government Finance Settlement. If necessary, however, the decision to discontinue pool membership or to approve membership of a pool with revised participants is delegated to the Deputy Leader Cabinet Member for Finance and Corporate Services in consultation with the Director of Finance.

5 Consultation

5.1 Indicative Tax Base information has been shared with precepting Authorities to assist them in the budget projections, subject to confirmation by this report.

5.2 The Council will advise the preceptors of the approved Council Tax and Business Rates Tax Bases (as appropriate) by the statutory deadline of 31 January 2020 and submit the final NNDR1 also by that date.

6 Financial Implications

6.1 Dealt with in full in this report.
7 **Legal Services Comments**

7.1 It is necessary for the Cabinet to set the Council Tax Tax Base having regards to the appropriate Regulations and to notify that to the relevant precepting bodies. Additionally, it is now required that the Business Rates Tax Base is approved by Cabinet.

8. **Co-operative Agenda**

8.1 Income generated from Council Tax and Business Rates supports the Council’s budget process and hence supports the delivery of the cooperative agenda.

9 **Human Resources Comments**

9.1 None.

10 **Risk Assessments**

10.1 There is a risk that if the anticipated Council Tax collection level is too high, there will a shortfall in the income anticipated. This would have an effect on the budget setting arrangements in future years. With the introduction of the Local Council Tax Reduction Scheme, collection rates are now much more difficult to assess and these will be kept under constant review however the proposed collection rate seeks to minimise the risk with a prudent approach taken to setting the collection level.

10.2 There is also a risk that if the anticipated level of Business Rates is not achieved it would lead to budget pressures in future financial years. Hence a prudent approach will be taken in assessing the anticipated business rates income levels.

10.3 There are extensive recovery procedures that will ensure that the maximum Council Tax and Business Rates income level is achieved.

11 **IT Implications**

11.1 None.

12 **Property Implications**

12.1 None.

13 **Procurement Implications**

13.1 None.

14 **Environmental and Health & Safety Implications**

14.1 None.
15 Equality, community cohesion and crime implications

15.1 None.

16 Equality Impact Assessment Completed?

16.1 Not applicable.

17 Key Decision

17.1 Yes.

18 Key Decision Reference

18.1 FCS-08-19.

19 Background Papers

19.1 The following is a list of background papers on which this report is based in accordance with the requirements of Section 100(1) of the Local Government Act 1972. It does not include documents which would disclose exempt or confidential information as defined by the Act:

File Ref: Background Papers are contained in Appendix A
Officer Name: John Hoskins
Contact No: 0161 770 1323

20 Appendices

20.1 Appendix A Calculation of the Council Tax Tax Base for 2020/21
## APPENDIX A

### CALCULATION OF COUNCIL TAX TAX BASE 2020/21  (Based on all properties)

<table>
<thead>
<tr>
<th>Bands</th>
<th>A reduced</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of Dwellings on the Valuation List</td>
<td></td>
<td>50,742</td>
<td>17,229</td>
<td>16,270</td>
<td>6,928</td>
<td>3,290</td>
<td>1,527</td>
<td>891</td>
<td>81</td>
<td>96,958</td>
</tr>
<tr>
<td>Total number of Exempt and Disabled Relief Dwellings on the Valuation List</td>
<td>136</td>
<td>(1,320)</td>
<td>(208)</td>
<td>(302)</td>
<td>(102)</td>
<td>(45)</td>
<td>(12)</td>
<td>(12)</td>
<td>(22)</td>
<td>(1,887)</td>
</tr>
<tr>
<td>No. of Chargeable Dwellings</td>
<td>136</td>
<td>49,422</td>
<td>17,021</td>
<td>15,968</td>
<td>6,826</td>
<td>3,245</td>
<td>1,515</td>
<td>879</td>
<td>59</td>
<td>95,071</td>
</tr>
<tr>
<td>Less: Estimated discounts, exemptions and disabled relief</td>
<td>(8.5)</td>
<td>(5,581)</td>
<td>(1,432.25)</td>
<td>(1,125)</td>
<td>(374.25)</td>
<td>(149.5)</td>
<td>(69.75)</td>
<td>(36.75)</td>
<td>(3.75)</td>
<td>(8,780.75)</td>
</tr>
<tr>
<td>Total equivalent number of dwellings after discounts, exemptions and disabled relief</td>
<td>127.5</td>
<td>43,841</td>
<td>15,588.75</td>
<td>14,843</td>
<td>6,451.75</td>
<td>3,095.5</td>
<td>1,445.25</td>
<td>842.25</td>
<td>55.25</td>
<td>86,290.25</td>
</tr>
<tr>
<td>Band D equivalent</td>
<td>70.8</td>
<td>29,227.3</td>
<td>12,124.6</td>
<td>13,193.8</td>
<td>6,451.75</td>
<td>3,783.4</td>
<td>2,087.6</td>
<td>1,403.85</td>
<td>110.5</td>
<td>68,453.6</td>
</tr>
<tr>
<td>Net effect of Local Council Tax Support Scheme (LCTSS) and other adjustments</td>
<td>(9,977.2)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additional Net Dwellings in 2020/21 based on known regeneration within the Borough and reductions in the levels of discounts and exemptions</td>
<td>970</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL AFTER LCTSS AND OTHER ADJUSTMENTS</td>
<td>59,446.4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td>Multiplied by estimated collection rate</td>
<td>97.00</td>
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<tr>
<td>BAND D EQUIVALENTS</td>
<td>57,663</td>
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For information: Parish Council Tax Tax Bases – Saddleworth 8,707  Shaw & Crompton 5,494