

## AUDIT COMMITTEE – 27 November 2015

<b>Title of paper:</b>	COUNCIL TAX DISCOUNTS	
<b>Director(s)/ Corporate Director(s):</b>	Geoff Walker Director of Strategic Finance	<b>Wards affected:</b> All
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<b>Recommendation(s):</b>		
<b>1</b>	This report is for noting only	

### 1. REASONS FOR RECOMMENDATIONS

The City Council's annual Statement of Accounts (SoA) for 2014/15 was presented to Audit Committee on 18 September 2015. The SoA includes details of the number of properties within the City boundary converted into Band D Equivalents, for the purpose of calculating the council tax base, as follows:

	2013/14	2014/15
<b>Council Tax Base</b>	<b>60,261</b>	<b>62,447</b>
<b>Council Tax (Band D) Property</b>	<b>£1,643.76</b>	<b>£1,675.83</b>

  

Band	Average Number of Properties	Taxable Properties after discounts, exemptions etc.	Conversion Factor to Band D	Band D Equivalents
A	85,825	48,717	6/9	32,478
B	21,859	13,806	7/9	10,738
C	15,508	10,725	8/9	9,533
D	6,522	4,927	9/9	4,927
E	2,314	1,929	11/9	2,358
F	1,000	883	13/9	1,276
G	694	610	15/9	1,016
H	110	61	18/9	121

At the Audit Committee meeting on 18 September 2015 councillor's noted the high level of discounts etc, and requested that a breakdown of why properties receive these discounts be brought to this meeting.

### 2. BACKGROUND

In order to provide a breakdown of the figures above, a detailed analysis of the types of discounts etc. was undertaken at 31 March 2015. This information was then used to estimate the equivalent figures for the table above. The results are as follows:

## Council Tax discounts, exemptions etc 2014/15

<b>Average number of properties</b>	<b>133,832</b>
Council Tax Support discounts (up to 80%)	26,008
Single Person Discounts (25%)	13,556
Student exemptions (100%)	11,547
Disregard discounts (up to 50%)	<u>1,063</u>
Total Discounts etc.	<u>52,174</u>
<b>Taxable Properties after Discounts, Exemptions etc.</b>	<b><u>81,658</u></b>

### 2.1 Council Tax Support Scheme (CTSS).

CTSS accounts for 50% of the discounts awarded. The local CTSS replaces Council Tax Benefit. This is a reduction in the amount of Council Tax due and is no longer a benefit payment. The amount of reduction received depends on the individual's circumstances, including income (if less than £16,000), savings, members of the household and Council Tax band.

### 2.2 Single Person Discounts and Disregards

Properties in which only one adult lives will attract a discount of 25%. Also, when deciding how many adults live in a property, for the purpose of this discount, certain people are disregarded. If all the people living in a property are disregarded a 50% discount will apply. Disregarded people include full time students, people in care and apprentices.

### 2.3 Exemptions

The majority of exemptions apply to properties where all the occupants are qualifying students. A small number of exemptions also apply to empty properties, but only in specific circumstances, e.g. where they are owned by a charity or the only occupant is now receiving hospital or residential care. All receive a 100% exemption.

Further details can be found on the City Council's website at:

<http://www.nottinghamcity.gov.uk/article/21967/Council-Tax-Discounts-and-Reductions>

## 3. BACKGROUND PAPERS OTHER THAN PUBLISHED WORKS OR THOSE DISCLOSING EXEMPT OR CONFIDENTIAL INFORMATION

None

## 4. PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT

Nottingham City Council website