

Decision Ref No:

EX.116/09

Subject Matter:

PROVISIONAL OUTTURN POSITION 2008/09 COUNCIL TAX AND NATIONAL NON DOMESTIC RATES

The Head of Revenues and Benefits reported (CORP.17/09) detailing the provisional outturn for 2008/09 in respect of Council Tax and National Non Domestic Rates.

He informed Members that the estimated outturn suggested that a collection rate of 98.15% would be achieved in respect of Council Tax. This would be the first time since Council Tax was introduced that the City Council's collection figure would not meet the budgeted projection of 98.5%. He also added that due to the recession the Council was currently collecting less brought forward arrears and was therefore having to increase the level of bad debt provision in this respect by a further £125,000. He added that based on the 2008/09 collection fund outturn position and the prevailing economic conditions, the Council could consider reducing its estimated Council Tax losses on collection from the current 98.5% to 98% in future years.

The Head of Revenues and Benefits added that it had not been possible to raise the level of the Council's performance on Council Tax collection out of the bottom quartile when compared to Council's nationally. He added that most of the District Councils in Carlisle's comparator group were small affluent rural authorities without the same deprivation issues as Carlisle. Carlisle also had in place a robust Anti-Poverty Strategy.

The Head of Revenues also set out for Members a breakdown of the current year's arrears and the arrangements which were presently in place for Council Tax collection. He added that the Council could move out of the bottom quartile by following the lead of other Council's in posting remittances to the current debt rather than to the oldest debt. Whilst this had been proposed to be piloted during the last year, technical issues had prevented the initiative being progressed before now.

The Head of Revenues added that in relation to Non Domestic rates there were year end arrears of £583,930 which equated to 1.7% of the in-year debt collectable and this was an increase from the position in 2007/08. He added that most Councils were reporting reduced collection rates partly due to the recession and partly due to the introduction of increased empty rates liability from 01 April 2008.

Decision:

(1) That the provisional outturn position at 31 March 2009 for Council Tax and National Non Domestic Rates be noted.

(2) That the Executive also note the impact of the recession on Council Tax losses and collections.

Key or Non-Key Decision:

Key

Key Decision Ref:

KD.18/09

Portfolio:

Finance

Who made decision:

Executive

Date:

01-Jun-09

Reports and Background Papers considered:

A report of the Director of Corporate Services (CORP.17/09). Provisional Outturn position 2008/09 for Council Tax and National Non Domestic Rates.

Reasons for Decision:

To advise the Executive of Council Tax and Business Rates Collection Performance.

Summary of Options rejected:

Nil

Interests declared

Nil

Date published

03-Jun-09

Urgent decision not subject to call in

No

Consent of Chairman/ Deputy Chairman of Council to Urgency:

Not applicable

Deadline for call-in:

10-Jun-09 at 5.00 pm

Implementation date if not called-in:

11-Jun-09

Relevant Overview and Scrutiny Committee:

Corporate Resources Overview and Scrutiny Committee

Call-in notified to and date notified:

Approved for implementation on:
